School Jurisdictions

3

Section 3

New Horizons Charter School Society
to Wolf Creek School Division No. 72

Audited Financial Statements

For the Year Ended August 31, 2005

Alberta
EDUCATION

A printed copy of the audited financial statements of school jurisdictions (in three volumes) is available for reference at the following Alberta depository libraries:

- Alberta Legislature Library
- Calgary Public Library
- Edmonton Public Library
- University of Alberta Library
- University of Calgary Library
- University of Lethbridge Library

These audited financial statements are available on the Internet at www.education.gov.ab.ca/funding/afs/

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2007-04808/

School Jurisdictions Audited Financial Statements

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Almadina School Society
to Evergreen Catholic Separate
Regional Division No. 2

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FFCA Charter School Society
to Mother Earth's Children's
Charter School Society

Section 2 of this report is published under separate cover. It provides the audited financial statements for the year ended August 31, 2005 submitted by school jurisdictions whose legal name begins with the letters F through M inclusive.

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Section 3 - School Jurisdictions N - Z

New Horizons Charter School Society
to Wolf Creek School Division No. 72

For the Year ended August 31, 2005

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Palliser Regional Division No. 26 1159
Parkland School Division No. 70 1179
Peace River School Division No. 10 1201
Peace Wapiti School Division No. 76 1221
Pembina Hills Regional Division No. 7 1243
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Prairie Rose Regional Division No. 8 1285
Red Deer Catholic Regional Division No. 39 1305
Red Deer Public School District No. 104 1327
Rocky View School Division No. 41 1349
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St. Thomas Aquinas Roman Catholic Separate Regional Division No. 38 1409
Sturgeon School Division No. 24 1431
Suzuki Charter School Society 1451
Westmount Charter School Society 1469
Westwind School Division No. 74 1489
Wetaskiwin Regional Division No. 11 1507
Wild Rose School Division No. 66 1529
Wolf Creek School Division No. 72 1549

School Jurisdiction Code: 6015

AUDITED
FINANCIAL STATEMENTS
and Supporting Schedules
FOR THE YEAR ENDED AUGUST 31, 2005
[School Act, Sections 147(2)(a), 148, 151(1) and 276]

NEW HORIZONS CHARTER SCHOOL SOCIETY
Legal Name of School Jurisdiction

3 SPRUCE AVENUE, SHERWOOD PARK, ALBERTA T8A 2B6
Mailing Address

(780) 467-6409 AND (780) 417-1786
Telephone and Fax Numbers

SCHOOL JURISDICTION MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The financial statements and supporting schedules NEW HORIZONS CHARTER SCHOOL SOCIETY (Name of School Jurisdiction) presented to Alberta Learning have been prepared by school jurisdiction management which has responsibility for their preparation, integrity and objectivity. The financial statements and schedules, including notes, have been prepared in accordance with generally accepted accounting principles and Ministerial requirements for Alberta school jurisdictions.

In fulfilling its reporting responsibilities, management has maintained internal control systems and procedures designed to provide reasonable assurance that the school jurisdiction's assets are safeguarded, that transactions are executed in accordance with appropriate authorization and that accounting records may be relied upon to properly reflect the school jurisdiction's transactions. The effectiveness of the control systems is supported by the selection and training of qualified personnel, an organizational structure that provides an appropriate division of responsibility and a strong budgetary system of control.

Board of Trustees Responsibility
The ultimate responsibility for the financial statements lies with the Board of Trustees. The Board reviewed the financial statements with management in detail and the Board approved the financial statements for release.

External Auditors
The Board appoints external auditors to audit the financial statements and meets with the auditors to review their findings. The external auditors have full and free access to school jurisdiction records.

Declaration of Management and Board Chairman
To the best of our knowledge and belief, these financial statements and supporting schedules reflect, in all material respects, the financial position and results of operations and cash flows for the year in accordance with generally accepted accounting principles and Ministerial requirements for Alberta school jurisdictions.

BOARD CHAIRMAN

KEVIN DODDS	Kevin Dodds
Name	Signature

SUPERINTENDENT

JIM RIGBY	Jim Rigby
Name	Signature

SECRETARY TREASURER OR TREASURER

G. (FRED) de KLEINE	G. de Kleine
Name	Signature

16-Nov-05
Board-approved Release Date

c.c. **ALBERTA EDUCATION, School Reporting Branch,**
8th Floor Commerce Place, 10155-102 Street, Edmonton AB T5J 4L5
EMAIL: Cindy.Jarry@gov.ab.ca
PHONE: (780) 427-7782 **FAX:** (780) 422-6996

J. P. Vleeming Professional Corporation
Chartered Accountant

AUDITOR'S REPORT

To the Board of Directors of
NEW HORIZONS CHARTER SCHOOL SOCIETY,

I have audited the statement of financial position of the New Horizons Charter School Society as at August 31, 2005, and the statement of revenue and expenses, cash flows, changes in net assets, and capital allocations for the year then ended. These financial statements are the responsibility of the school jurisdiction's management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In my opinion, these financial statements present fairly, in all material aspects, the financial position of the Society as at August 31, 2005 and the results of its operations, changes in cash flows and net assets for the year then ended, in accordance with Canadian generally accepted accounting principles.

My audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplementary information included in Schedules A through G is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such supplementary information has been subjected to the auditing procedures applied in the audit of the basic financial statements and in my opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

Sherwood Park, Alberta
October 27, 2005

Chartered Accountant

325 Estate Drive, Sherwood Park, Alberta T8B 1L8 Telephone (780) 449-6143 Fax (780) 417-2075

School Jurisdiction Code: 6015

STATEMENT OF FINANCIAL POSITION

as at August 31, 2005

(in dollars)

		2005	2004
ASSETS			
Current assets			
Cash and temporary investments		$266,565	$316,630
Accounts receivable (net after allowances)		$69,888	$53,835
Prepaid expenses		$17,235	$14,327
Other current assets		$0	$0
Total current assets		$353,688	$384,792
School generated assets		$6,596	$5,755
Trust assets		$0	$0
Long term accounts receivable		$0	$0
Long term investments		$0	$0
Capital assets			
Land		$0	$0
Buildings	$0		
Less: accumulated amortization	$0	$0	$0
Equipment	$0		
Less: accumulated amortization	$0	$0	$0
Vehicles	$0		
Less: accumulated amortization	$0	$0	$0
Total capital assets		$0	$0
TOTAL ASSETS		$360,284	$390,547
LIABILITIES			
Current liabilities			
Bank indebtedness		$0	$0
Accounts payable and accrued liabilities		$35,502	$98,447
Deferred revenue		$61,741	$102,950
Deferred capital allocations		$0	$0
Current portion of all long term debt		$0	$0
Total current liabilities		$97,243	$201,397
School generated liabilities		$6,596	$5,755
Trust liabilities		$0	$0
Employee future benefits liability		$0	$0
Long term payables and accrued liabilities		$0	$0
Long term debt			
Supported: Debentures and other supported debt		$0	$0
Less: Current portion of supported debt		$0	$0
Unsupported: Debentures and Capital Loans		$0	$0
Capital Leases		$0	$0
Mortgages		$0	$0
Less: Current portion of unsupported debt		$0	$0
Unamortized capital allocations		$0	$0
Total long term liabilities		$6,596	$5,755
TOTAL LIABILITIES		$103,839	$207,152
NET ASSETS			
Unrestricted net assets		$0	$0
Operating Reserves		$173,977	$105,264
Accumulated Operating Surplus (Deficit)		$173,977	$105,264
Investment in capital assets		$0	$0
Capital Reserves		$82,468	$78,131
Total Capital Funds		$82,468	$78,131
Total net assets		$256,445	$183,395
TOTAL LIABILITIES AND NET ASSETS		$360,284	$390,547

Note: Input "(Restated)" in 2004 column heading where comparatives are not taken from the finalized 2003-2004 Audited Financial Statements

School Jurisdiction Code: 6015

STATEMENT OF REVENUES AND EXPENSES

for the Year Ended August 31, 2005

(in dollars)

	Actual 2005	Budget 2005	Actual 2004
REVENUES			
Government of Alberta	$1,212,539	$1,188,674	$1,085,418
Federal Government and/or First Nations	$0	$0	$0
Other Alberta school authorities	$0	$0	$0
Out of province authorities	$0	$0	$0
Alberta Municipalities (excluding supplementary requisitions)	$0	$0	$0
Instruction resource fees	$17,460	$17,778	$16,722
Transportation fees	$0	$0	$0
Other sales and services	$11,255	$0	$0
Investment income	$8,888	$7,150	$5,717
Gifts and donations	$0	$0	$0
Rentals of facilities	$6,865	$6,152	$5,292
Net school generated funds	$6,383	$18,333	$0
Gains on disposal of capital assets	$0	$0	$0
Amortization of capital allocations	$0	$0	$0
Total Revenues	$1,263,390	$1,238,087	$1,113,149
EXPENSES			
Certificated salaries	$540,004	$553,314	$534,806
Certificated benefits	$51,299	$60,635	$51,672
Uncertificated salaries and wages	$74,764	$63,463	$63,821
Uncertificated benefits	$7,247	$7,400	$6,727
Services, contracts and supplies	$509,710	$485,350	$491,895
Net school generated funds	$6,383	$18,333	$0
Capital and debt services			
Amortization of capital assets			
Supported	$0	$0	$0
Unsupported	$0	$0	$0
Total Amortization of capital assets	$0	$0	$0
Interest on capital debt			
Supported	$0	$0	$0
Unsupported	$0	$0	$0
Total Interest on capital debt	$0	$0	$0
Other interest charges	$933	$0	$886
Losses on disposal of capital assets	$0	$0	$0
Total Expenses	$1,190,340	$1,188,495	$1,149,807
SURPLUS (DEFICIT) OF REVENUES OVER EXPENSES BEFORE EXTRAORDINARY ITEM	$73,050	$49,592	($36,658)
Extraordinary Item	$0	$0	$0
SURPLUS (DEFICIT) OF REVENUES OVER EXPENSES	$73,050	$49,592	($36,658)

Note: Input "(Restated)" in Budget 2005 and/or Actuals 2004 column headings where comparatives are not taken from the respective finalized 2004-2005 Budget Report and/or finalized 2003-2004 Audited Financial Statements.

School Jurisdiction Code: 6015

STATEMENT OF CASH FLOWS

for the Year Ended August 31, 2005

(in dollars)

	2005	2004
CASH FLOWS FROM:		
A. OPERATIONS		
Surplus (deficit) of revenues over expenses for the year	$73,050	($36,658)
Add (Deduct) items not requiring cash:		
Amortization of capital allocations revenue	$0	$0
Total amortization expense	$0	$0
Gains on disposal of capital assets	$0	$0
Losses on sale of capital assets	$0	$0
Changes in accrued accounts:		
Accounts receivable	($16,053)	($14,018)
Prepaids and other current assets	($2,908)	($3,659)
Long term accounts receivable	$0	$0
Long term investments	$0	$0
Payables and accrued liabilities	($62,945)	$74,716
Deferred revenue	($41,209)	$50,918
Employee future benefit expense (recovery)	$0	$0
Other (describe)	$0	$0
Total sources (uses) of cash from Operations	($50,065)	$71,299
B. INVESTING ACTIVITIES		
Purchases of capital assets		
Land	$0	$0
Buildings	$0	$0
Equipment	$0	$0
Vehicles	$0	$0
Net proceeds from disposal of capital assets	$0	$0
Other (describe)	$0	$0
Total sources (uses) of cash from Investing activities	$0	$0
C. FINANCING ACTIVITIES		
Capital allocations	$0	$0
Issue of long term debt	$0	$0
Repayment of long term debt	$0	$0
Add back: supported portion	$0	$0
Other (describe)	$0	$0
Total sources (uses) of cash from Financing activities	$0	$0
Net sources (uses) of cash during year	($50,065)	$71,299
Cash and temporary investments, net of bank indebtedness, at Aug. 31/04	$316,630	$245,331
Cash and temporary investments, net of bank indebtedness, at Aug. 31/05	$266,565	$316,630

Note: 1 Input "(Restated)" in 2004 column heading where not taken from the finalized 2003-2004 Audited Financial Statements

2 Cash and temporary investments are net of cash obligations.

STATEMENT OF CHANGES IN NET ASSETS
for the Year Ended August 31, 2005

(in dollars)

School Jurisdiction 6015

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
	TOTAL NET ASSETS Cols. 2+3+4	INVESTMENT IN CAPITAL ASSETS	UNRESTRICTED NET ASSETS	TOTAL INTERNALLY RESTRICTED NET ASSETS Cols. 5 to 14	INTERNALLY RESTRICTED NET ASSETS									
					School Based		Infrastructure		Board & System Admin.		Transportation		External Services	
					Operating Reserves	Capital Reserves	O& M Operating Reserves	Capital Reserves	Operating Reserves	Capital Reserves	Operating Reserves	Capital Reserves	Operating Reserve	Capital Reserves
Balance at August 31, 2004	$183,395	$0	$0	$183,395	$85,327	$0	$0	$0	$15,754	$78,131	$4,183	$0	$0	$0
Prior period adjustments (describe)														
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Adjusted Balance,Aug.31, 2004	$183,395	$0	$0	$183,395	$85,327	$0	$0	$0	$15,754	$78,131	$4,183	$0	$0	$0
Surplus(def) of revenue over expense	$73,050		$73,050											
Board funded capital transactions		$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Direct credits to net assets	$0	$0												
Amortization of capital assets		$0	$0											
Amortization of capital allocations		$0	$0											
Disposal of unsupported capital asset	$0	$0	$0	$0		$0		$0		$0		$0		$0
Disposal of supported capital assets (board funded portion)	$0	$0	$0	$0		$0		$0		$0		$0		$0
Debt principal payments (unsupported)		$0	$0											
Net transfers to operating reserves			($84,033)	$84,033	$79,855		$0		$0		$4,178		$0	
Net transfers from operating reserves			$15,320	($15,320)	$0		$0		($15,320)		$0		$0	
Net transfers to capital reserves			($4,337)	$4,337		$0		$0		$4,337		$0		$0
Net transfers from capital reserves			$0	$0		$0		$0		$0		$0		$0
Balance at August 31, 2005	$256,445	$0	$0	$256,445	$165,182	$0	$0	$0	$434	$82,468	$8,361	$0	$0	$0

School Jurisdiction Code: 6015

STATEMENT OF CAPITAL ALLOCATIONS
(SUPPORTED CAPITAL FINANCING ONLY)
for the Year Ended August 31, 2005

(in dollars)

	Deferred Capital Allocations	Unamortized Capital Allocations
Balance at August 31, 20	$0	$0
Prior period adjustment	$0	$0
Adjusted balance, August 31, 2004	$0	$0
Add:		
Capital allocations from: Infrastructure and Transportation-New/Modernization Projects	$0	
Other Government of Alberta	$0	
Federal Government and/or First Nations	$0	
Other sources	$0	
Interest earned on provincial government capital allocations	$0	
Other capital grants and donations	$0	
Proceeds on disposal of supported capital assets	$0	
Insurance proceeds	$0	
Donated capital assets (amortizable, at Fair Market Value)		$0
Transferred in capital assets (amortizable, at Net Book Value)		$0
Current Year Debenture Principal Repayment		$0
Expended capital allocations - current year	$0	$0
Less:		
Unamortized Capital Allocation affected by a disposal through transfer out		$0
Capital allocations amortized to revenue		$0
Balance at August 31, 2005	$0	$0

NEW HORIZONS CHARTER SCHOOL SOCIETY

NOTES TO FINANCIAL STATEMENTS
AUGUST 31, 2005

1. Purpose of the Society

The Society delivers education programs under the authority of the School Act, Chapter S-3, Revised Statutes of Alberta, 2000. The society is registered under the Societies Act.

The Society receives block allocations for instruction and support under Regulation 77/2003. The regulation allows for the setting of conditions and use of grant monies. The Society is limited on administration expenses and is permitted to reallocate funding within the Alberta Learning instruction and support block areas.

2. Significant Accounting Policy

These financial statements have been prepared by management in accordance with Canadian generally accepted accounting principles. The financial statements have, in management's opinion, been properly prepared within reasonable limits of materiality and within the framework of the accounting policies summarized below:

A. Revenue Recognition

Instruction and support funding allocations are recognized as revenue in the year to which they relate.

Fees for services related to courses and programs are recognized as revenue when such courses and programs are delivered.

Unrestricted contributions are recognized as revenue when received and receivable. Contributions in-kind are recorded at fair market value when reasonably determinable.

Externally restricted contributions are deferred and recognized as revenue in the period in which the restriction is complied with. Endowment funds, which are to be retained as net assets, are recorded as direct increases in trust assets and liabilities.

B. Capital Assets

Only capital assets with costs in excess of $5,000 are capitalized in the current year. Any capital allocations received for asset additions are amortized over the same period as the related asset.

2. Significant Accounting Policy (Continued)

C. School Generated Funds

These are funds in the community, which come under the control and the responsibility of the school principal and are for school activities. These funds are usually collected and retained at the school for expenditures paid at the school level (e.g. yearbook sales, graduation fees, field trip fees etc.) The unused funds are deferred to the subsequent year in accordance with the Task Force Report on School Board Reporting in Alberta.

D. Contributed Services

Volunteers contribute a considerable number of hours per year to the Society to ensure that certain programs are delivered, such as kindergarten, lunch services and the raising of school generated funds. Because of the difficulty of compiling these hours and the fact that these services are not otherwise purchased, contributed services are not recognized in the financial statements.

E. Pensions

Pension cost included in these statements comprise the cost of employer contributions for current service of employees during the year.
The current and past service costs of the Alberta Teacher Retirement Fund are met by contributions by active members and the Government of Alberta. Under the terms of the Teachers Pension Plan Act, the Society does not make pension contributions for certified staff.

F. Operating and Capital Reserves

Reserves are established at the discretion of the Board of Directors of the jurisdiction, to set aside funds for operating and capital purposes. Such reserves are appropriations of unrestricted net assets.

NEW HORIZONS CHARTER SCHOOL SOCIETY

NOTES TO FINANCIAL STATEMENTS
AUGUST 31, 2005

3. Short-term Investments

	2005	2004
Province of British Columbia Bond	**$79,490**	$75,153
Guaranteed Investment Certificate #4	**150,000**	0
Guaranteed Investment Certificate #5	**35,444**	0
Guaranteed Investment Certificate #1	**0**	72,682
Guaranteed Investment Certificate #2	**0**	25,000
	$264,934	$172,835

The British Columbia bond earns interest at a rate of 5.69% if held to its maturity date of November 19, 2006.

Guaranteed Investment Certificate #4 earns at a rate of 2.4% per annum and matures on November 22, 2005

Guaranteed Investment Certificate #5 earns interest at a rate of 1.75% per annum and matures on April 25, 2006

4. Accounts and Grants Receivable

	2005	2004
Alberta Infrastructure	**$59,912**	$45,948
Goods and Services Tax	**6,642**	7,030
Interest Receivable	**2,998**	578
Other	**329**	279
Alberta Education	**7**	0
	$69,888	$53,835

5. Deferred Revenue

	2005	2004
Alberta Infrastructure	**$56,507**	$102,896
Alberta Education	**4,718**	0
Resource Fees	**516**	54
	$61,741	$102,950

6. Internally Restricted Net Assets

Net assets may be restricted by authorization of the Board of Directors for future operating and capital expenditures. The amounts are established and expended in accordance with terms and conditions established by the Board.

	2005	2004
Operating Reserves		
Board and System Administration	$434	$15,754
Transportation	8,361	4,183
	$8,795	$19,937
Capital Reserve		
Building - Unsupported	$82,467	$78,130

7. Operating Lease Commitment

The Charter School has leased a photocopier. The photocopier is leased at $1,502 per quarter and expires in August, 2010. The future minimum annual payments as of August 31, 2005 under the operating lease are:

2006	$6,008
2007	$6,008
2008	$6,008
2009	$6,008
2010	$4,506
	$28,538

8. Net School Generated Assets

	2005	2004
Balance, Beginning of Year	$5,755	$6,565
Plus: Sources of School Generated Funds	7,224	18,375
	12,979	24,940
Less: Application of School Generated Funds	6,383	19,185
Balance, End of Year	$6,596	$5,755

9. Financial Instruments

A. Interest Risk

The Society's revenues are exposed to financial risk that arises from fluctuations in interest rates and the degree of volatility of these rates. The Society does not use derivative instruments to reduce its exposure to interest risk.

B. Credit Risk

Credit risk arises from the potential that a counter party will fail to perform its obligations. The Society is exposed to credit risk from customers. However, the Society has not incurred significant bad debts in the past three years.

C. Fair Value of Financial Instruments

The fair value of the Society financial instruments approximates their carrying value.

10. Economic Dependence on Related Third Party

The Society's primary source of income is from the Alberta Government. The Society's ability to continue viable operations is dependant on this funding.

11. Budgeted Amounts

The budget was prepared by the Society's management, and approved by the Board of Directors on June 15, 2004. It is presented for information purposes only and has not been audited.

12. Comparative Figures

The actual 2004 comparative figures have been reclassified where necessary to conform to actual 2005 presentation.

SCHEDULE A to the AFS

School Jurisdiction Cod 6015

ALLOCATION OF REVENUES AND EXPENSES TO PROGRAMS - 2004-2005

	REVENUES	TOTAL	ECS to Grade 12 Instruction	Operations and Maintenance of Schools & Maintenance Shops	Transportation	Board & System Admin.	External Services
(1)	**Alberta Education Revenues**	$938,167	$870,942	$0	$11,125	$56,100	$0
	Alberta Infrastructure and Transportation						
(2)	Infrastructure Maintenance Program & Portable Relocations support	$0	$0	$0			
(3)	Regular Operations & Maintenance support	$260,097		$260,097			
(4)	Other support	$7,727	$0	$7,727			
(5)	**Total Alberta Infrastructure and Transportation Revenues**	$267,824	$0	$267,824			
(6)	**Alberta Finance**	$0		$0			$0
(7)	**Other - Government of Alberta**	$6,548	$4,575	$1,973	$0	$0	$0
(8)	**Federal Government and/or First Nations**	$0	$0	$0	$0	$0	$0
(9)	**Other Alberta school authorities**	$0	$0	$0	$0	$0	$0
(10)	**Out of province authorities**	$0	$0	$0	$0	$0	$0
(11)	**Alberta municipalities** (excl. supplementary requisitions)	$0	$0	$0	$0	$0	$0
(12)	**Instruction resource fees**	$17,460	$17,460				
(13)	**Transportation fees**	$0			$0		
(14)	**Other sales and services**	$11,255	$11,255	$0	$0	$0	$0
(15)	**Investment income**	$8,888	$4,551	$4,337	$0	$0	$0
(16)	**Gifts and donations**	$0	$0	$0	$0		$0
(17)	**Rentals of facilities**	$6,865	$6,865	$0	$0	$0	$0
(18)	**Net school generated funds**	$6,383	$6,383			$0	
(19)	**Gains on disposal of capital assets**	$0	$0	$0	$0	$0	$0
(20)	**Amortization of capital allocations**	$0	$0	$0	$0		$0
(21)	**TOTAL REVENUES**	$1,263,390	$922,031	$274,134	$11,125	$56,100	$0
	EXPENSES						
(22)	**Certificated salaries**	$540,004	$540,004			$0	$0
(23)	**Certificated benefits**	$51,299	$51,299			$0	$0
(24)	**Uncertificated salaries and wages**	$74,764	$74,764	$0	$0	$0	$0
(25)	**Uncertificated benefits**	$7,247	$7,247	$0	$0	$0	$0
(26)	**SUB - TOTAL**	$673,314	$673,314	$0	$0	$0	$0
(27)	**Services, contracts & supplies**	$509,710	$135,294	$260,732	$6,947	$106,737	$0
(28)	**Cost recoveries & charges to programs**	$0	$27,185	$9,065	$0	($36,250)	$0
(29)	**Net school generated funds**	$6,383	$6,383				
	Capital and debt services						
	Amortization of capital assets						
(30)	Supported	$0	$0	$0	$0	$0	$0
(31)	Unsupported	$0	$0	$0	$0	$0	$0
(32)	Total Amortization	$0	$0	$0	$0	$0	$0
	Interest on capital debt						
(33)	Supported	$0	$0	$0	$0	$0	$0
(34)	Unsupported	$0	$0	$0	$0	$0	$0
(35)	Other interest charges	$933	$0	$0	$0	$933	$0
(36)	Losses on disposal of capital assets	$0	$0	$0	$0	$0	$0
(37)	**TOTAL EXPENSES**	$1,190,340	$842,176	$269,797	$6,947	$71,420	$0
(38)	**SURPLUS (DEFICIT) BEFORE EXTRAORDINARY ITEM**	$73,050	$79,855	$4,337	$4,178	($15,320)	$0

School Jurisdiction Code: 6015

SCHEDULE B to the AFS
ALBERTA EDUCATION REVENUES 2004-2005

	TOTAL
Base Funding	
Early Childhood Services (ECS)	$49,640
Base Instruction (Gr 1-12)	$694,820
Outreach Programs	$0
Home Education	$0
Differential Cost Funding *	$140,466
Other Provincial Support	
Institutional Programs	$0
Regional Consortium (6 boards) and Regional Educational Consulting Services (4 boards)	$0
Learning Resources Credit	$1,980
Federal French Funding	$670
Provincial Priority Targeted Funding	
Class Size Initiative	$23,410
Student Health Initiative (SHI)	$0
Alberta Initiative for School Improvement (AISI)	$16,056
High Speed Networking	$0
Children and Youth with Complex Needs	$0
Other Alberta Education Revenues (describe) Transportation	$11,125
Total Alberta Education Revenues	$938,167

* Differential Cost Funding is based on distribution formulas designed to address variable cost factors and incremental costs associated with other variables and specific student populations. Included in differential cost funding are allocations for students with severe disabilities, English as a second language students, Francisation and support services for immigrant students, aboriginal students, gifted & talented early childhood services children and those with mild or moderate or severe disabilities, the percentage of the student population experiencing low socio-economic status, small schools by necessity, intra-jurisdiction distances, year to year enrolment fluctuations, small school board administration, schools located in the north, boarding, transportation, stabilization of funding, and cost differences among school jurisdictions for purchasing goods and services.

School Jurisdiction Code: 6015

SCHEDULE C the AFS

ECS to Grade 12 INSTRUCTION PROGRAMS Expense Details - 2004-2005

SUB-PROGRAMS & INITIATIVES	ECS to GRADE 12 Instruction						
	Certificated Remuneration	Uncertificated Remuneration	Services, Contracts & Supplies [1]	Learning Resources	Cost Recoveries & Transfers	Other Expenses [2]	TOTAL EXPENSES
School Administration & All Instruction Support	$75,164	$59,689	$12,034		$0	$0	$146,887
Mild & Moderate Disabilities/Gifted & Talented (ECS-12)		$5,606	$0		$0		$5,606
ECS Program Unit (PUF)	$0	$0	$0		$0		$0
Severe Disabilities (Gr 1-12)	$0	$9,432	$0		$0		$9,432
English as a Second Language	$0	$0	$0		$0		$0
French Language Program & Francisation (all jurisdictions)	$60,624	$0	$1,297		$0		$61,921
First Nations, Metis and Inuit Education (ECS - Gr 12)	$0	$0	$0		$0		$0
Home Education	$0	$0	$0		$0		$0
Institutional Programs	$0	$0	$0		$0		$0
Alberta Initiative for School Improvement	$0	$0	$19,079	$0	$0		$19,079
Student Health Initiative	$0	$0	$0		$0		$0
High Speed Networking			$0		$0		$0
Class Size	$11,826	$7,285	$0	$0	$0		$19,111
Children and Youth with Complex Needs (ECS - Gr 12)	$0	$0	$0		$0		$0
All Other Student Instruction Expenses (ECS - Gr 12)	$443,681	$0	$78,773	$24,110	$27,185	$6,383	$580,140
TOTAL EXPENSES	$591,295	$82,012	$111,183	$24,110	$27,185	$6,383	$842,176

FULL-TIME-EQUIVALENCIES (Board/Contract)	FTE Certificated	FTE Uncertificated
Mild & Moderate Disabilities/Gifted & Talented (ECS - Gr 12	0.0	0.5
ECS Program Unit (PUF)	0.0	0.0
Severe Disabilities (Gr 1-12)	0.0	0.4

Note 1 Excludes Learning Resources

Note 2 Includes Net School Generated Funds, Amortization, Interest, and Losses on Disposal of Instruction Program Capital Assets

School Jurisdiction Code: 6015

SCHEDULE D to the AFS
CALCULATION OF MAXIMUM ELIGIBLE EXPENSE LIMIT FOR BOARD (GOVERNANCE) AND SYSTEM ADMINISTRATION - 2004-2005

TOTAL EXPENSES	**$1,190,340**

STEP 1

Calculation of maximum expense limit PERCENTAGE for Board and System Administration expenses

If "Total Net Enrolled Students" are 6,000 and over	= 4%	**6.00%**
If "Total Net Enrolled Students" are 2,000 and less	= 6%	

The Maximum Expense Limit for Board and System Administration is based on an arithmetical proration for the TOTAL FTE count for grades 1 -12, net of Home Education AND Adult students, between 2,000 to 6,000 at .0005 per FTE.

EXAMPLE: 4,500 FTE count grades 1-12 = 6,000 - 4,500 = 1,500 X .0005 = .75% plus 4% = maximum expense limit of 4.75%.

Note: Calculation unnecessary if Total FTE is 6,000 or more, and 2,000 & less.

STEP 2

Calculate maximum expense limit AMOUNTS for Board and System Administration expenses

Maximum Expense Limit percentage (Step 1) x TOTAL EXPENSES		$71,420
Considerations for Charter Schools and Small School Boards:		
If **Charter School**, enter $56,100	$56,100	$71,420
If **School Board**, please enter your 04-05 Gr 1- 12 funded enrolment	0	
	$0	$0
MAXIMUM EXPENSE LIMIT		**$71,420**

STEP 3

Compare maximum expense limit amounts calculated in Step 2 to actual expenses (from Schedule A)

Actual Board Governance & System Administration expenses	$71,420
PLUS: transfers to Restricted - Operating (Board/System Administration)	$0
LESS: transfers from Restricted - Operating (Board/System Administration)	-$15,320
TOTAL BOARD GOVERNANCE & SYSTEM ADMINISTRATION EXPENSES	$56,100
MAXIMUM EXPENSE LIMIT	$71,420
ACTUAL EXPENSES - OVER(UNDER) MAXIMUM EXPENSE LIMIT	-$15,320

School Jurisdiction Code: 6015

SCHEDULE E to the AFS
SOURCE & APPLICATION OF SCHOOL GENERATED FUNDS (SGF) - 2004-2005

Unexpended SGF - Opening Balance August 31, 2004 (Note 1)				$5,755
Source of Net School Generated Funds:	**Gross SGF**	**Related Expenses**	**Net SGF**	
Fundraising activities	$4,915	$3,981	$934	
Student fees (Non-Instructional) (Note 2)			$0	
Donations and grants to schools	$2,309		$2,309	
Other (describe)	$0	$0	$0	
Net Additions to SGF	$7,224	$3,981		$3,243
Net SGF Available for Discretionary Spending				$8,998
Application of Net School Generated Funds:				
Extra-curricular activities			$1,314	
School beautification			$0	
Field Trips			$1,088	
Equipment			$0	
Family literacy and other community resources			$0	
Other (describe)			$0	
Net SGF Expended for Discretionary Purposes (Note 3)				$2,402
Unexpended SGF - Closing Balance August 31, 2005 (Note 4)				$6,596

School Generated Funds (SGF) are funds raised in the community for student activities that come under the control and responsibility of school management. These funds are usually collected and retained at the school for expenditures paid at the school level. SGF does not include fees with respect to instructional supplies or materials collected pursuant to Section 60(2)(j) of the *School Act*, and any other funds collected at the school but remitted to central office and accounted for by the jurisdiction (facility rentals, capital assets purchases, etc.)

Note 1 Input "(Restated)" beside Balance at August 31, 2004 where not taken from the finalized 2003-2004 Audited Financial Statements

Note 2 Excludes fees collected pursuant to Section 60(2)(j) of the School Act (fees with respect to instructional supplies or materials - essentially textbooks, resource materials in lieu of textbooks, media, software, and materials for classrooms) Amounts collected for CEU-related activities are recorded as instruction resource fees, not SGF

Note 3 Net SGF Expended for Discretionary Purposes is recorded as revenue and expense in the Statement of Revenues & Expenses

Note 4 Unexpended SGF is carried forward to the Statement of Financial Position

School Jurisdiction Code: 6015

SCHEDULE F to the AFS
Operations and Maintenance Program Expenses - 2004-2005

EXPENSES	Custodial	Maintenance	Utilities and Telecommunications	Expensed Mod./I.M.P. & Portable Relocations	Facility Planning & Operations Administration	SUB-TOTAL Operations & Maintenance	Supported Capital & Debt Services	TOTAL Operations and Maintenance
Uncertificated salaries and wages	$0	$0	$0	$0	$0	$0		$0
Uncertificated benefits	$0	$0	$0	$0	$0	$0		$0
Sub-total Remuneration	$0	$0	$0	$0	$0	$0		$0
Contracted Services	$29,197	$161,004	$0	$0	$7,727	$197,928		$197,928
Supplies	$1,693	$4,696	$0	$0	$0	$6,389		$6,389
Electricity			$13,967			$13,967		$13,967
Natural Gas/Heating Fuel			$16,197			$16,197		$16,197
Sewer and Water			$5,320			$5,320		$5,320
Telecommunications			$0			$0		$0
Insurance					$20,931	$20,931		$20,931
Amortization of capital assets								
Supported							$0	$0
Unsupported						$0		$0
Total Amortization						$0	$0	$0
Interest on capital debt								
Supported							$0	$0
Unsupported				$0		$0		$0
Other interest charges						$0		$0
Losses on disposal of capital assets						$0		$0
Cost recoveries & transfers						$9,065		$9,065
TOTAL EXPENSES	$30,890	$165,700	$35,484	$0	$28,658	$269,797	$0	$269,797
SQUARE METRES								
School Buildings								1,428.1
Non School Buildings								0.0
UNCERTIFICATED FTE'S (Board/Contract)	1.0	0.0						

Notes:

Custodial:	All expenses related to activities undertaken to keep the school environment clean and safe.
Maintenance:	All expenses associated with the repair, replacement and minor construction of buildings, grounds and equipment components. This includes regular and preventative maintenance undertaken to ensure components reach or exceed their life cycle and the repair of broken components.
Utilities & Telecommunications:	All expenses related to electricity, natural gas and other heating fuels, sewer and water and all forms of telecommunications.
Expensed Block Mod/I.M.P. & Portable Relocations:	All expenses associated with non-capital activites related to Block Modernization, Infrastructure Maintenance Programs (AKA Building Quality Restoration Program) and portable relocations.
Facility Planning & Operations Administration:	All expenses related to the administration of operations and maintenance including (but not limited to) contract administration, clerical functions, negotiations, supervision of employees and contractors, administration of capital projects (including new schools, I.M.P., block modernization and portable relocations), administration of joint-use agreements, and all expenses related to ensuring compliance with health and safety statndards, codes and government regulations.
Supported Capital & Debt Services:	All expenses related to supported capital assets amortization and interest on supported capital debt.

School Jurisdiction Code: 6015

SCHEDULE G to the AFS
DISCLOSURE OF SALARIES AND BENEFITS - 2004-2005
(SECTION 148.1 OF THE SCHOOL ACT)

		FTEs	Remuneration	Benefits	Allowances	Performance Bonuses	ERIP's / Other	Total	Expenses
Chairperson:									
Name	Dodds, Kevin	0.9	$0	$0	$0			$0	$14
Name	van Wieren, Nicole	0.1	$0	$0	$0			$0	$0
Other Board Members:									
Name	Diederichs, Peter	0.4	$0	$0	$0			$0	$0
Name	Dodds, Kevin	0.1	$0	$0	$0			$0	$0
Name	Frunchak, Stu	0.9	$0	$0	$0			$0	$0
Name	Kozsan, Lorelei	1.0	$0	$0	$0			$0	$0
Name	Ljuden, Carol	0.1	$0	$0	$0			$0	$0
Name	Sanford, Lincoln	0.9	$0	$0	$0			$0	$0
Name	Shorter, Mike	0.7	$0	$0	$0			$0	$0
Name	van Wieren, Nicole	0.9	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Subtotal		*6.0*	*$0*	*$0*	*$0*			*$0*	*$14*
Superintendent	Erickson, Dale	0.3	$24,000	$0	$0	$0	$0	$24,000	$528
Superintendent	Rigby, Jim	0.1	$4,500	$0	$0	$0	$0	$4,500	$0
Secretary/Treasurer	de Kleine, G. (Fred)	0.3	$19,980	$0	$0	$0	$0	$19,980	$1,544
Secretary/Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Board Secretary		0.0	$0	$0	$0	$0	$0	$0	$0
Board Secretary		0.0	$0	$0	$0	$0	$0	$0	$0
Board Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Board Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Certificated Salaries		9.8	$540,004	$51,299	$0	$0	$0	$591,303	
Uncertificated Salaries & Wages		3.0	$74,764	$7,247	$0	$0	$0	$82,011	
TOTALS			**$663,248**	**$58,546**	**$0**	**$0**	**$0**	**$721,794**	

Note: Please refer to completion information on page 15.

The positions of the Superintendent and Secretary-Treasurer are contracted services and are included in Schedule "A" - Line 27

School Jurisdiction Code 2275

AUDITED
FINANCIAL STATEMENTS
and Supporting Schedules
FOR THE YEAR ENDED AUGUST 31, 2005

[School Act, Sections 147(2)(a), 148, 151(1) and 276]

Northern Gateway Regional Division No. 10
Legal Name of School Jurisdiction

4104 Kepler Street; Box 840; Whitecourt, Alberta; T7S 1M8
Mailing Address

(780) 778-2800 (780) 778-6719
Telephone and Fax Numbers

SCHOOL JURISDICTION MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The financial statements and supporting schedules Northern Gateway Regional Division No. 10 (Name of School Jurisdiction) presented to Alberta Learning have been prepared by school jurisdiction management which has responsibility for their preparation, integrity and objectivity. The financial statements and schedules, including notes, have been prepared in accordance with generally accepted accounting principles and Ministerial requirements for Alberta school jurisdictions.

In fulfilling its reporting responsibilities, management has maintained internal control systems and procedures designed to provide reasonable assurance that the school jurisdiction's assets are safeguarded, that transactions are executed in accordance with appropriate authorization and that accounting records may be relied upon to properly reflect the school jurisdiction's transactions. The effectiveness of the control systems is supported by the selection and training of qualified personnel, an organizational structure that provides an appropriate division of responsibility and a strong budgetary system of control.

Board of Trustees Responsibility
The ultimate responsibility for the financial statements lies with the Board of Trustees. The Board reviewed the financial statements with management in detail and the Board approved the financial statements for release.

External Auditors
The Board appoints external auditors to audit the financial statements and meets with the auditors to review their findings. The external auditors have full and free access to school jurisdiction records.

Declaration of Management and Board Chairman
To the best of our knowledge and belief, these financial statements and supporting schedules reflect, in all material respects, the financial position and results of operations and cash flows for the year in accordance with generally accepted accounting principles and Ministerial requirements for Alberta school jurisdictions.

BOARD CHAIRMAN

Gerry Steinke **"ORIGINAL SIGNED"**
Name **Signature**

SUPERINTENDENT

Eugene J. Miller **"ORIGINAL SIGNED"**
Name **Signature**

SECRETARY TREASURER OR TREASURER

Michael Gramatovich **"ORIGINAL SIGNED"**
Name **Signature**

8-Nov-05
Board-approved Release Date

c.c. **ALBERTA EDUCATION, School Reporting Branch,**
8th Floor Commerce Place, 10155-102 Street, Edmonton AB T5J 4L5
EMAIL: Cindy.Jarry@gov.ab.ca
PHONE: (780) 427-7782 FAX: (780) 422-6996

Clews & Shoemaker
CHARTERED ACCOUNTANTS

Graham Rex Clews Professional Corporation ◆ John S. Shoemaker Professional Corporation

AUDITOR'S REPORT

To the Board of Trustees of the Northern Gateway Regional Division No. 10:

We have audited the statement of financial position of Northern Gateway Regional Division No. 10 as at August 31, 2005, and the statements of revenues and expenses, cash flows, changes in net assets and capital allocations for the year then ended. These financial statements are the responsibility of the school jurisdiction's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance as to whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the Northern Gateway Regional Division No. 10 as at August 31, 2005, and the results of its operations, changes in cash flows, net assets and capital allocations for the year then ended in accordance with the Canadian generally accepted accounting principles.

Our audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplementary information included in Schedules A through G is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such supplementary information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

Clews & Shoemaker

Westlock, Alberta
October 25, 2005

CHARTERED ACCOUNTANTS

J:\data\WPDOCS\AUDIT\NorthernGateway\auditopinion.wpd

Box 5180, Westlock, AB T7P 2P4
Telephone: (780) 349-3355 ◆ Edm. Direct: (780) 421-4796 ◆ Fax: (780) 349-6550 ◆ E-mail: clewsshoemaker@csca.cc

School Jurisdiction Code: 2275

STATEMENT OF FINANCIAL POSITION

as at August 31, 2005

(in dollars)

		2005	2004
ASSETS			
Current assets			
Cash and temporary investments		$505,701	$563,012
Accounts receivable (net after allowances)		$2,534,470	$2,127,176
Prepaid expenses		$125,305	$355,973
Other current assets		$0	$0
Total current assets		$3,165,476	$3,046,161
School generated assets		$913,776	$897,846
Trust assets		$220,762	$224,813
Long term accounts receivable		$0	$0
Long term investments		$0	$0
Capital assets			
Land		$2,177,111	$2,201,271
Buildings	$64,202,274		
Less: accumulated amortization	($16,212,698)	$47,989,576	$48,907,984
Equipment	$2,555,259		
Less: accumulated amortization	($1,985,072)	$570,187	$721,556
Vehicles	$3,247,683		
Less: accumulated amortization	($1,845,497)	$1,402,186	$1,768,520
Total capital assets		$52,139,059	$53,599,331
TOTAL ASSETS		$56,439,074	$57,768,151
LIABILITIES			
Current liabilities			
Bank indebtedness		$0	$0
Accounts payable and accrued liabilities		$559,776	$1,009,648
Deferred revenue		$584,627	$672,012
Deferred capital allocations		$43,151	$42,136
Current portion of all long term debt		$1,175,583	$1,261,024
Total current liabilities		$2,363,137	$2,984,820
School generated liabilities		$913,776	$897,846
Trust liabilities		$220,762	$224,813
Employee future benefits liability		$44,639	$98,377
Long term payables and accrued liabilities		$0	$0
Long term debt			
Supported: Debentures and other supported debt		$6,496,265	$7,574,875
Less: Current portion of supported debt		($978,298)	($1,078,610)
Unsupported: Debentures and Capital Loans		$386,994	$569,408
Capital Leases		$0	$0
Mortgages		$0	$0
Less: Current portion of unsupported debt		($197,285)	($182,414)
Unamortized capital allocations		$38,655,327	$38,321,999
Total long term liabilities		$45,542,180	$46,426,294
TOTAL LIABILITIES		$47,905,317	$49,411,114
NET ASSETS			
Unrestricted net assets		$489,458	$489,458
Operating Reserves		$1,341,621	$630,946
Accumulated Operating Surplus (Deficit)		$1,831,079	$1,120,404
Investment in capital assets		$6,600,474	$7,133,050
Capital Reserves		$102,203	$103,583
Total Capital Funds		$6,702,678	$7,236,633
Total net assets		$8,533,756	$8,357,037
TOTAL LIABILITIES AND NET ASSETS		$56,439,074	$57,768,151

Note: Input "(Restated)" in 2004 column heading where comparatives are not taken from the finalized 2003-2004 Audited Financial Statements.

School Jurisdiction Code: 2275

STATEMENT OF REVENUES AND EXPENSES

for the Year Ended August 31, 2005

(in dollars)

	Actual 2005	Budget 2005	Actual 2004
REVENUES			
Government of Alberta	$43,881,636	$41,880,085	$41,850,151
Federal Government and/or First Nations	$1,303,445	$712,420	$1,004,500
Other Alberta school authorities	$0	$0	$0
Out of province authorities	$0	$0	$0
Alberta Municipalities (excluding supplementary requisitions)	$4,261	$17,044	$27,044
Instruction resource fees	$243,787	$260,257	$235,487
Transportation fees	$31,573	$20,000	$33,995
Other sales and services	$64,365	$93,000	$50,091
Investment income	$67,092	$84,066	$79,486
Gifts and donations	$49,400	$0	$32,012
Rentals of facilities	$164,151	$149,400	$161,981
Net school generated funds	$962,596	$874,489	$1,052,425
Gains on disposal of capital assets	$12,086	$0	$13,908
Amortization of capital allocations	$1,677,313	$1,542,019	$1,535,815
Total Revenues	$48,461,704	$45,632,780	$46,076,895
EXPENSES			
Certificated salaries	$22,299,501	$21,927,583	$21,680,399
Certificated benefits	$2,430,088	$2,327,274	$2,333,723
Uncertificated salaries and wages	$6,946,442	$6,284,377	$6,955,676
Uncertificated benefits	$1,503,615	$1,339,579	$1,491,684
Services, contracts and supplies	$10,789,830	$10,575,076	$10,307,348
Net school generated funds	$962,596	$874,489	$1,052,425
Capital and debt services			
Amortization of capital assets			
Supported	$1,677,313	$1,542,019	$1,535,815
Unsupported	$813,543	$897,469	$890,166
Total Amortization of capital assets	$2,490,856	$2,439,488	$2,425,981
Interest on capital debt			
Supported	$732,011	$733,018	$856,434
Unsupported	$39,944	$39,944	$54,517
Total Interest on capital debt	$771,955	$772,962	$910,951
Other interest charges	$209	$500	$2,374
Losses on disposal of capital assets	$65,731	$0	$8,221
Total Expenses	$48,260,824	$46,541,328	$47,168,782
SURPLUS (DEFICIT) OF REVENUES OVER EXPENSES BEFORE EXTRAORDINARY ITEM	$200,880	($908,548)	($1,091,887)
Extraordinary Item	$0	$0	$0
SURPLUS (DEFICIT) OF REVENUES OVER EXPENSES	$200,880	($908,548)	($1,091,887)

Note: Input "(Restated)" in Budget 2005 and/or Actuals 2004 column headings where comparatives are not taken from the respective finalized 2004-2005 Budget Report and/or finalized 2003-2004 Audited Financial Statements.

School Jurisdiction Code: 2275

STATEMENT OF CASH FLOWS

for the Year Ended August 31, 2005

(in dollars)

	2005	2004
CASH FLOWS FROM:		
A. OPERATIONS		
Surplus (deficit) of revenues over expenses for the year	$200,880	($1,091,889)
Add (Deduct) items not requiring cash:		
Amortization of capital allocations revenue	($1,677,313)	($1,535,815)
Total amortization expense	$2,490,856	$2,425,981
Gains on disposal of capital assets	($12,086)	($13,908)
Losses on sale of capital assets	$65,731	$8,221
Changes in accrued accounts:		
Accounts receivable	($407,294)	$461,543
Prepaids and other current assets	$230,668	($15,567)
Long term accounts receivable	$0	$0
Long term investments	$0	$0
Payables and accrued liabilities	($449,872)	($482,772)
Deferred revenue	($87,385)	($21,251)
Employee future benefit expense (recovery)	($53,738)	($35,135)
Other (describe)	$0	$0
Total sources (uses) of cash from Operations	$300,448	($300,592)
B. INVESTING ACTIVITIES		
Purchases of capital assets		
Land	$0	$0
Buildings	($991,032)	($257,347)
Equipment	($129,444)	($75,845)
Vehicles	$0	($292,645)
Net proceeds from disposal of capital assets	$12,086	$71,010
Other (describe)	$0	$0
Total sources (uses) of cash from investing activities	($1,108,390)	($554,827)
C. FINANCING ACTIVITIES		
Capital allocations	$933,046	$253,283
Issue of long term debt	$0	$0
Repayment of long term debt	($1,261,024)	($1,394,195)
Add back: supported portion	$1,078,610	$1,225,468
Other (describe)	$0	$0
Total sources (uses) of cash from Financing activities	$750,631	$84,556
Net sources (uses) of cash during year	($57,311)	($770,863)
Cash and temporary investments, net of bank indebtedness, at Aug. 31/04	$563,012	$1,333,875
Cash and temporary investments, net of bank indebtedness, at Aug. 31/05	$505,701	$563,012

Note: 1 Input "(Restated)" in 2004 column heading where not taken from the finalized 2003-2004 Audited Financial Statements.

2 Cash and temporary investments are net of cash obligations.

School Jurisdiction 2275

STATEMENT OF CHANGES IN NET ASSETS
for the Year Ended August 31, 2005

(in dollars)

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
	TOTAL NET ASSETS Cols 2+3+4	INVESTMENT IN CAPITAL ASSETS	UNRESTRICTED NET ASSETS	TOTAL INTERNALLY RESTRICTED NET ASSETS Cols 5 to 14	INTERNALLY RESTRICTED NET ASSETS									
					School Based		Infrastructure		Board & System Admin.		Transportation		External Services	
					Operating Reserves	Capital Reserves	O& M Operating Reserves	Capital Reserves	Operating Reserves	Capital Reserves	Operating Reserves	Capital Reserves	Operating Reserves	Capital Reserves
Balance at August 31, 2004	$8,357,037	$7,133,050	$489,458	$734,529	$592,370	$33,558	$40,913	$26,375	$149,731	$0	($152,068)	$43,650	$0	$0
Prior period adjustments (describe)														
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Adjusted Balance,Aug.31, 2004	$8,357,037	$7,133,050	$489,458	$734,529	$592,370	$33,558	$40,913	$26,375	$149,731	$0	($152,068)	$43,650	$0	$0
Surplus(def) of revenue over expenses	$200,880		$200,880											
Board funded capital transactions		$188,444	$0	($188,444)	($132,534)	$0	($55,909)	$0	$0	$0	$0	$0	$0	$0
Direct credits to net assets	$0	$0												
Amortization of capital assets		($2,490,856)	$2,490,856											
Amortization of capital allocations		$1,677,313	($1,677,313)											
Disposal of unsupported capital assets	$0	($65,731)	$53,645	$12,086		$0		$2,454		$0		$9,632		$0
Disposal of supported capital assets (board funded portion)	($24,160)	($24,160)	$0	$0		$0		$0		$0		$0		$0
Debt principal payments (unsupported)		$182,415	($182,415)											
Net transfers to operating reserves			($899,118)	$899,118	$688,639		($52,866)		$145,973		$117,373		$0	
Net transfers from operating reserves			$0	$0	$0		$0		$0		$0		$0	
Net transfers to capital reserves			($97)	$97		$0		$97		$0		$0		$0
Net transfers from capital reserves			$13,562	($13,562)		($13,562)		$0		$0		$0		$0
Balance at August 31, 2005	$8,533,757	$6,600,474	$489,458	$1,443,824	$1,148,474	$19,996	($67,863)	$28,926	$295,704	$0	($34,695)	$53,282	$0	$0

School Jurisdiction Code: 2275

STATEMENT OF CAPITAL ALLOCATIONS
(SUPPORTED CAPITAL FINANCING ONLY)
for the Year Ended August 31, 2005

(in dollars)

		Deferred Capital Allocations	Unamortized Capital Allocations
Balance at August 31, 20		$42,136	$38,321,999
Prior period adjustment		$0	$0
Adjusted balance, August 31, 2004		$42,136	$38,321,999
Add:			
Capital allocations from:	Infrastructure and Transportation-New/Modernization Projects	$932,031	
	Other Government of Alberta	$0	
	Federal Government and/or First Nations	$0	
	Other sources	$0	
Interest earned on provincial government capital allocations		$1,015	
Other capital grants and donations		$0	
Proceeds on disposal of supported capital assets		$0	
Insurance proceeds		$0	
Donated capital assets (amortizable, at Fair Market Value)			$0
Transferred in capital assets (amortizable, at Net Book Value)			$0
Current Year Debenture Principal Repayment			$1,078,610
Expended capital allocations - current year		($932,031)	$932,031
Less:			
Unamortized Capital Allocation affected by a disposal through transfer out			$0
Capital allocations amortized to revenue			$1,677,313
Balance at August 31, 2005		$43,151	$38,655,327

NORTHERN GATEWAY REGIONAL DIVISION #10

NOTES TO FINANCIAL STATEMENTS

AUGUST 31, 2005

1. AUTHORITY AND PURPOSE

The School Jurisdiction delivers education programs under the authority of the School Act, Revised statutes of Alberta 2000, Chapter S-3.

The jurisdiction receives instruction and support allocations under Regulation 77/2003. The regulation allows for the setting of conditions and use of grant monies. The School Jurisdiction is limited on certain funding allocations and administration expenses.

2. SIGNIFICANT ACCOUNTING POLICIES

These financial statements have been prepared in accordance with Canadian generally accepted accounting principles (GAAP) and accounting policies consistent with those prescribed by Alberta Learning for Alberta School Jurisdictions. The precise determination of many assets and liabilities is dependent on future events. As a result, the preparation of financial statements for a period involves the use of estimates and approximations, which have been made using careful judgement. Actual results could differ from those estimates and approximations. The financial statements have, in management's opinion, been properly prepared within reasonable limits of materiality and within the framework of the accounting policies summarized below:

(a) Revenue Recognition

Revenue is recognized as follows:

Instruction and support allocations are recognized in the year to which they relate.

Fees for services related to courses and programs are recognized as revenue when such courses and programs are delivered.

Capital allocations from the province for new construction are recorded as deferred capital allocations until spent. Once spent, the capital allocations are transferred to unamortized capital allocations, which are amortized to revenue on the same basis as the capital asset acquired by the grant.

Capital allocations for the purpose of debt repayment are recorded as unamortized capital allocations.

Unrestricted contributions are recognized as revenue when received or receivable. Contributions in-kind are recorded at fair market value, when reasonably determinable.

Externally restricted contributions are deferred and recognized as revenue in the period in which the restriction is complied with. Endowment contributions are recognized as direct increases in net assets in the period in which they are received or receivable.

2. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(b) Prepaid Expenses

Certain expenditures incurred and paid before the close of the school year are for specific school supplies, which will be consumed subsequent to the year-end, and are accordingly recorded as prepaid expenses. Certain insurance expenses also fall into this category.

(c) Capital Assets

Capital assets are recorded at cost, except for contributed assets which are recorded at the estimated fair market when acquired. The capital assets are amortized over their estimated useful lives on a straight line basis, at the following rates:

Buildings	2.5% to 5%
Equipment and furnishings	10% to 20%
Vehicles and buses	10% to 20%

Only capital assets with a cost in excess of $5,000 are capitalized. Assets with a cost less than $5,000 are treated as current operating expenses. Any capital allocations received for asset additions are amortized over the same period as the related asset.

(d) School Generated Funds

These are funds in the community, which come under the control and responsibility of the school principal and are used for school activities. These funds are usually collected and retained at the school for expenditures paid at the school level (e.g. yearbook sales, graduation fees, field trip fees, etc.)

Funds generated from school based activities are included as assets, liabilities, revenues and expenses of the Regional Division because the accountability, control and ownership of these funds rests with the Regional Division's officials or their appointees.

(e) Vacation Pay

Vacation pay is accrued in the period in which the employee earns the benefit.

2. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(f) Pensions

Pension cost included in these statements compose the cost of employer contributions for current service of employees during the year.

The current service and past service costs of the Alberta Teacher Retirement Fund are met by contributions by active members and the Government of Alberta. Under the terms of the Teachers Pension Plan Act, the Northern Gateway Regional Division #10 does not make pension contributions for certificated staff.

The school board participates in the multi-employer pension plan, the Local Authorities Pension Plan and does not report on any unfunded liabilities. The expense for this pension plan is equivalent to the annual contributions of $224,061 ($181,943 in 2003) for the year ended August 31, 2005. At December 31, 2004, the Local Authorities Pension Plan reported an actuarial deficiency of $1,288,924,000 (2003 deficiency of $1,453,487,000).

(g) Contributed Services

Volunteers contribute a considerable number of hours per year to assist schools within the Regional Division in the delivery of programs, including but not limited to, kindergarten, lunch services and the raising of school generated funds. Because of the difficulty of compiling these hours and the fact that these services are generally not otherwise purchased, contributed services are not recognized in the financial statements.

(h) Inventories

The Regional Division expenses all items under $5,000 as current operating expenses and, therefore, does not track inventories of supplies in its financial statements.

(i) Financial Instruments

The Regional Division's financial instruments consist of cash, accounts receivable, accounts payable, accrued liabilities and long term debt. It is management's opinion that the Regional Division is not exposed to significant interest, currency or credit risk arising from these financial instruments. Unless otherwise noted, the fair value of these financial instruments approximate their carrying values. The Regional Division has invested surplus funds in accordance with Section 60 of the School Act and Section 5 of the Trustees Act.

(j) Operating and Capital Reserves

Reserves are established at the discretion of the Board of Trustees of the jurisdiction, to set aside funds for future operating or capital expenditures. Such reserves represent appropriations of accumulated surplus (unrestricted net assets).

(k) Employee Future Benefits

The Regional Division accounts for the future cost of employee benefits in accordance with Section 3461 of the CICA Handbook.

3. ACCOUNTS RECEIVABLE

	2005	2004
Alberta Education	$ 43,571	$ -
Alberta Infrastructure and Transportaion	1,523,545	1,067,100
Alberta Finance	384,734	452,688
Other Province of Alberta	3,705	5,205
Federal Government	291,719	238,244
First Nations	56,349	70,907
Other Alberta School Jurisdictions	8,407	-
Other	222,440	293,032
	$ 2,534,470	$ 2,127,176

4. BANK INDEBTEDNESS

The jurisdiction has negotiated a line of credit in the amount of $1,000,000 that bears interest at the bank prime rate plus 1/4%. This line of credit, which is secured by a borrowing bylaw and a security agreement, covers all revenue of the jurisdiction. There was no balance outstanding on the line of credit at August 31, 2005.

5. DEFERRED REVENUE

	2005	2004
OES, Demolition	$ -	$ 387,884
One time block funding	27,371	27,371
AISI	78,099	91,505
Whitecourt concept study	848	937
Valleyview concept study	80,294	80,383
BQRP for 2003 - 2004	116,053	24,538
Prepaid transportation fees	4,585	13,216
ASHIP	-	46,178
One time textbook	98,117	-
Class size initiative	32,364	-
Video conferencing	146,068	-
Block Mod 2001 balance	828	-
	$ 584,627	$ 672,012

6. TRUST ASSETS AND LIABILITIES

These balances represent cash that is held in trust by the jurisdiction for the following areas;

	2005	2004
Endowment funds for scholarships	$ 211,614	$ 217,788
Rental damage deposits	9,148	7,025
	$ 220,762	$ 224,813

7. LONG TERM DEBT

	2005	2004
Debentures repayable to Alberta Municipal Financing Corporation at $2,587,868 per year, including interest at rates of 6.875% to 12.0%. Debenture debt is issued on the credit and security of the Regional Division and matures between 2002 and 2019. Certain of these debentures are eligible for Provincial support. These debentures funded the construction of school buildings with a net carrying amount of $47,954,951.	$ 6,580,845	$ 7,669,553
Johnson Controls Ltd. financing agreement, repayable at $10,750 per month including interest at a rate of 7.0%, plus an additional $75,000 principal on the anniversary of the completion of the project. The agreement, used to fund the energy retrofit project, matures in December 2006 and is secured by certain property with a net book value of $953,033.	302,413	474,730
	6,883,258	8,144,283
Less: Current portion	1,175,573	1,261,024
	$ 5,707,685	$ 6,883,259

The payments of principal required to meet long term debt obligations in each of the next five years are as follows:

	Supported Principal	Unsupported Principal
2006	$ 978,298	$ 197,275
2007	871,089	125,324
2008	797,210	10,097
2009	722,892	10,097
2010	633,783	10,097
Thereafter	2,492,993	34,103
	$ 6,496,265	$ 386,993

8. CONTINGENCY

The Regional Division is a member of the Alberta School Boards Insurance Exchange (ASBIE). Under the terms of membership, the Regional Division could become liable for it's proportionate share of any claim losses in excess of the funds held by the exchange. Any liability incurred would be accounted as a current expenditure in the year the losses are determined. A portion of premiums paid each year are applied to the equity of the Exchange. These payments are recorded as expenses of the Regional Division in the current year as the equity of the Exchange is potentially subject to liability claims and is not a tangible asset the jurisdiction can liquidate.

9. DEFERRED CAPITAL ALLOCATIONS

Deferred capital allocations represent externally-restricted supported capital funds provided for a specific capital purpose that have been received or are receivable by the jurisdictions, but the related expenditure has not yet been made at year-end. These unspent deferred capital allocations are not amortized until the expenditure has been made and it is at that time that the balance is transferred to the unamortized capital allocations account.

10. UNAMORTIZED CAPITAL ALLOCATIONS

Unamortized capital allocations represent externally-restricted supported capital funds that have been spent, but have yet to be amortized over the useful life of the applicable capital asset to which the restricted capital allocations apply. The unamortized capital allocations account balance is increased by transfers of previously deferred capital allocations now spent, as well as fully-supported debentured capital funds, as the principal is repaid.

NORTHERN GATEWAY REGIONAL DIVISION #10

NOTES TO FINANCIAL STATEMENTS (CONT'D)

AUGUST 31, 2005

11. INTERFUND TRANSFERS

During the year the Regional Division transferred the following amounts between funds:

	2005	2004
a) Transfers between restricted operating reserves and unrestricted net assets:		
Current operating revenues in excess of expenditures	$ 200,880	$ (1,091,889)
Amortization of capital assets	2,490,856	2,425,980
Amortization of capital allocations	(1,677,313)	(1,535,815)
(Gain)/Loss on disposal of capital assets	53,645	(5,687)
Principal payments on unsupported debt	(182,415)	(168,726)
Interest transfer for Capital Supported Allocations	1,015	932
Net transfer from unrestricted to restricted funds	$ 886,668	$ (375,205)
b) Transfers between restricted operating reserves and capital reserves:		
Board motion to transfer funds	$ 13,562.00	$(10,000.00)
Net transfer from capital reserves to restricted operating reserves	$ 13,562.00	$(10,000.00)

12. BUDGET AMOUNTS

The budget was prepared by the school jurisdiction and approved by the Board of Trustees. It is presented for information purposes only and has not been audited.

13. CAPITAL RECONCILIATION

	2005	2004
A. Total capital assets	$52,139,059	$53,599,332
Deduct: Long Term debt		
- supported	(6,496,265)	(7,574,875)
- unsupported	(386,994)	(569,407)
Net total	$45,255,800	$45,455,050
B. Unamortized capital allocations	38,655,327	38,321,999
Add: Investment in capital assets	6,600,474	7,133,051
Net total	45,255,801	45,455,050
C. Variance	$ (1)	$ -

14. SALE OF SCHOOL

One of the jurisdiction's schools closed on June 30, 2003. The jurisdiction sold this school for $1 in 2004/2005. The school had a net book value at August 31, 2004 of $172,981 (land & building). The loss in the land of $24,160 is shown in the Statement of Changes in Net Assets column 2. The net book value of the building and equipment were written off by increasing amortization expense and amortization of capital allocations by $148,821.

15. COMMITMENTS

a) Building Projects

The jurisdiction is committed to further capital expenditures at Onoway Elementary School of approximately $9,000,000. It is anticipated that these costs will be fully funded by the capital allocations from Alberta Infrastructure.

b) Leases

The jurisdiction is committed to equipment leases at it's various schools in the amount of $1,060,108 repayable as follows:

2006	$ 200,096
2007	$ 215,003
2008	$ 215,003
2009	$ 215,003
2010	$ 215,003
	$ 1,060,108

16. ECONOMIC DEPENDENCE ON RELATED THIRD PARTY

The Northern Gateway Regional Division's primary source of income is from the Alberta Government. The Division's ability to continue viable operations is dependent on this funding.

SCHEDULE A to the AFS

School Jurisdiction Cod 2275

ALLOCATION OF REVENUES AND EXPENSES TO PROGRAMS - 2004-2005

	REVENUES	TOTAL	ECS to Grade 12 Instruction	Operations and Maintenance of Schools & Maintenance Shops	Transportation	Board & System Admin.	External Services
(1)	**Alberta Education Revenues**	$38,784,582	$32,934,550	$0	$4,020,375	$1,829,656	$0
	Alberta Infrastructure and Transportation						
(2)	Infrastructure Maintenance Program & Portable Relocations support	$558,715	$0	$558,715			
(3)	Regular Operations & Maintenance support	$3,692,726		$3,692,726			
(4)	Other support	$0	$0	$0			
(5)	**Total Alberta Infrastructure and Transportation Revenues**	$4,251,441	$0	$4,251,441			
(6)	**Alberta Finance**	$732,011		$732,011			$0
(7)	**Other - Government of Alberta**	$113,602	$110,040	$3,562	$0	$0	$0
(8)	**Federal Government and/or First Nations**	$1,303,445	$1,151,768	$102,434	$0	$49,243	$0
(9)	**Other Alberta school authorities**	$0	$0	$0	$0	$0	$0
(10)	**Out of province authorities**	$0	$0	$0	$0	$0	$0
(11)	**Alberta municipalities** (excl. supplementary requisitions)	$4,261	$4,261	$0	$0	$0	$0
(12)	**Instruction resource fees**	$243,787	$243,787				
(13)	**Transportation fees**	$31,573			$31,573		
(14)	**Other sales and services**	$64,365	$0	$2,015	$62,018	$333	$0
(15)	**Investment income**	$67,092	$64,031	$3,061	$0	$0	$0
(16)	**Gifts and donations**	$49,400	$49,400	$0	$0		$0
(17)	**Rentals of facilities**	$164,151	$2,299	$161,852	$0	$0	$0
(18)	**Net school generated funds**	$962,596	$962,596			$0	
(19)	**Gains on disposal of capital assets**	$12,086	$0	$2,454	$9,632	$0	$0
(20)	**Amortization of capital allocations**	$1,677,313	$0	$1,677,313	$0		$0
(21)	**TOTAL REVENUES**	$48,461,704	$35,522,732	$6,936,143	$4,123,597	$1,879,232	$0
	EXPENSES						
(22)	**Certificated salaries**	$22,299,501	$22,016,777			$282,725	$0
(23)	**Certificated benefits**	$2,430,088	$2,406,962			$23,126	$0
(24)	**Uncertificated salaries and wages**	$6,946,442	$4,636,404	$706,697	$815,080	$788,261	$0
(25)	**Uncertificated benefits**	$1,503,615	$1,038,943	$152,096	$154,903	$157,673	$0
(26)	**SUB - TOTAL**	$33,179,647	$30,099,086	$858,794	$969,984	$1,251,784	$0
(27)	**Services, contracts & supplies**	$10,789,830	$3,776,402	$3,500,119	$3,036,164	$477,145	$0
(28)	**Cost recoveries & charges to programs**	$0	$0	$0	$0	$0	$0
(29)	**Net school generated funds**	$962,596	$962,596				
	Capital and debt services						
	Amortization of capital assets						
(30)	Supported	$1,677,313	$0	$1,677,313	$0	$0	$0
(31)	Unsupported	$813,543	$361,500	$116,844	$305,566	$29,633	$0
(32)	Total Amortization	$2,490,856	$361,500	$1,794,157	$305,566	$29,633	$0
	Interest on capital debt						
(33)	Supported	$732,011	$0	$732,011	$0	$0	$0
(34)	Unsupported	$39,944	$0	$39,187	$0	$757	$0
(35)	Other interest charges	$209	$133	$0	$76	$0	$0
(36)	Losses on disposal of capital assets	$65,731	$63,083	$0	$0	$2,648	$0
(37)	**TOTAL EXPENSES**	$48,260,824	$35,262,800	$6,924,267	$4,311,790	$1,761,967	$0
(38)	**SURPLUS (DEFICIT) BEFORE EXTRAORDINARY ITEM**	$200,880	$259,931	$11,876	($188,193)	$117,265	$0

School Jurisdiction Code: 2275

SCHEDULE B to the AFS

ALBERTA EDUCATION REVENUES 2004-2005

	TOTAL
Base Funding	
Early Childhood Services (ECS)	$960,534
Base Instruction (Gr 1-12)	$25,135,852
Outreach Programs	$156,060
Home Education	$14,771
Differential Cost Funding *	$10,660,844
Other Provincial Support	
Institutional Programs	$0
Regional Consortium (6 boards) and Regional Educational Consulting Services (4 boards)	$0
Learning Resources Credit	$43,718
Federal French Funding	$7,270
Provincial Priority Targeted Funding	
Class Size Initiative	$795,028
Student Health Initiative (SHI)	$185,350
Alberta Initiative for School Improvement (AISI)	$696,240
High Speed Networking	$0
Children and Youth with Complex Needs	$0
Other Alberta Education Revenues (describe) Microsoft Licence, One Time Grant, Video Conf., High Speed Network	$128,914
Total Alberta Education Revenues	$38,784,582

* Differential Cost Funding is based on distribution formulas designed to address variable cost factors and incremental costs associated with other variables and specific student populations. Included in differential cost funding are allocations for students with severe disabilities, English as a second language students, Francisation and support services for immigrant students, aboriginal students, gifted & talented early childhood services children and those with mild or moderate or severe disabilities, the percentage of the student population experiencing low socio-economic status, small schools by necessity, intra-jurisdiction distances, year to year enrolment fluctuations, small school board administration, schools located in the north, boarding, transportation, stabilization of funding, and cost differences among school jurisdictions for purchasing goods and services.

School Jurisdiction Code: 2275

SCHEDULE C the AFS

ECS to Grade 12 INSTRUCTION PROGRAMS Expense Details - 2004-2005

SUB-PROGRAMS & INITIATIVES	ECS to GRADE 12 Instruction						
	Certificated Remuneration	Uncertificated Remuneration	Services, Contracts & Supplies [1]	Learning Resources	Cost Recoveries & Transfers	Other Expenses [2]	TOTAL EXPENSES
School Administration & All Instruction Support	$2,317,200	$1,884,295	$315,362		$0	$3,912	$4,520,769
Mild & Moderate Disabilities/Gifted & Talented (ECS-12)	$864,374	$407,598	$4,697		$0		$1,276,668
ECS Program Unit (PUF)	$557	$314,656	$141,807		$0		$457,020
Severe Disabilities (Gr 1-12)	$835,102	$2,323,869	$40,960		$0		$3,199,932
English as a Second Language	$0	$0	$0		$0		$0
French Language Program & Francisation (all jurisdictions)	$0	$0	$7,270		$0		$7,270
First Nations, Metis and Inuit Education (ECS - Gr 12)	$316,362	$212,106	$23,791		$0		$552,260
Home Education	$0	$0	$21,304		$0		$21,304
Institutional Programs	$0	$0	$0		$0		$0
Alberta Initiative for School Improvement	$445,593	$114,453	$126,921	$9,275	$0		$696,242
Student Health Initiative	$0	$18,684	$166,666		$0		$185,350
High Speed Networking			$32,409		$0		$32,409
Class Size	$793,605	$493	$931	$0	$0		$795,028
Children and Youth with Complex Needs (ECS - Gr 12)	$0	$0	$0		$0		$0
All Other Student Instruction Expenses (ECS - Gr 12)	$18,850,945	$399,193	$2,816,623	$196,920	$0	$1,383,401	$23,518,548
TOTAL EXPENSES	$24,423,739	$5,675,346	$3,698,740	$206,195	$0	$1,387,313	$35,262,800

FULL-TIME-EQUIVALENCIES (Board/Contract)	FTE Certificated	FTE Uncertificated
Mild & Moderate Disabilities/Gifted & Talented (ECS - Gr 12	11.3	11.5
ECS Program Unit (PUF)	0.0	8.8
Severe Disabilities (Gr 1-12)	11.0	65.3

Note 1 Excludes Learning Resources.

Note 2 Includes Net School Generated Funds, Amortization, Interest, and Losses on Disposal of Instruction Program Capital Assets.

School Jurisdiction Code: 2275

SCHEDULE D to the AFS
CALCULATION OF MAXIMUM ELIGIBLE EXPENSE LIMIT FOR BOARD (GOVERNANCE) AND SYSTEM ADMINISTRATION - 2004-2005

TOTAL EXPENSES		**$48,260,824**

STEP 1

Calculation of maximum expense limit PERCENTAGE for Board and System Administration expenses

If "Total Net Enrolled Students" are 6,000 and over	= 4%	**4.45%**
If "Total Net Enrolled Students" are 2,000 and less	= 6%	

The Maximum Expense Limit for Board and System Administration is based on an arithmetical proration for the TOTAL FTE count for grades 1 -12, net of Home Education AND Adult students, between 2,000 to 6,000 at .0005 per FTE.

EXAMPLE: 4,500 FTE count grades 1-12 = 6,000 - 4,500 = 1,500 X .0005 = .75% plus 4% = maximum expense limit of 4.75%

Note: Calculation unnecessary if Total FTE is 6,000 or more, and 2,000 & less.

STEP 2

Calculate maximum expense limit AMOUNTS for Board and System Administration expenses

Maximum Expense Limit percentage (Step 1) x TOTAL EXPENSES		$2,145,435

Considerations for Charter Schools and Small School Boards:

If **Charter School**, enter $56,100	$0	$0
If **School Board**, please enter your 04-05 Gr 1- 12 funded enrolment	0	
	$0	$0
MAXIMUM EXPENSE LIMIT		**$2,145,435**

STEP 3

Compare maximum expense limit amounts calculated in Step 2 to actual expenses (from Schedule A)

Actual Board Governance & System Administration expenses	$1,761,967
PLUS: transfers to Restricted - Operating (Board/System Administration)	$145,973
LESS: transfers from Restricted - Operating (Board/System Administration)	$0
TOTAL BOARD GOVERNANCE & SYSTEM ADMINISTRATION EXPENSES	$1,907,939
MAXIMUM EXPENSE LIMIT	$2,145,435
ACTUAL EXPENSES - OVER(UNDER) MAXIMUM EXPENSE LIMIT	-$237,496

School Jurisdiction Code: 2275

SCHEDULE E to the AFS
SOURCE & APPLICATION OF SCHOOL GENERATED FUNDS (SGF) - 2004-2005

Unexpended SGF - Opening Balance August 31, 2004 (Note 1)				$897,846
Source of Net School Generated Funds:	**Gross SGF**	**Related Expenses**	**Net SGF**	
Fundraising activities	$1,290,794	$505,119	$785,675	
Student fees (Non-Instructional) (Note 2)	$31,365		$31,365	
Donations and grants to schools	$109,100		$109,100	
Other (describe):	$148,699	$96,313	$52,386	
Net Additions to SGF	$1,579,957	$601,432		$978,525
Net SGF Available for Discretionary Spending				$1,876,371
Application of Net School Generated Funds:				
Extra-curricular activities			$635,262	
School beautification			$23,280	
Field Trips			$18,895	
Equipment			$69,599	
Family literacy and other community resources			$3,815	
Other (describe):			$211,745	
Net SGF Expended for Discretionary Purposes (Note 3)				$962,595
Unexpended SGF - Closing Balance August 31, 2005 (Note 4)				$913,776

School Generated Funds (SGF) are funds raised in the community for student activities that come under the control and responsibility of school management. These funds are usually collected and retained at the school for expenditures paid at the school level. SGF does not include fees with respect to instructional supplies or materials collected pursuant to Section 60(2)(j) of the *School Act*, and any other funds collected at the school but remitted to central office and accounted for by the jurisdiction (facility rentals, capital assets purchases, etc.)

Note 1 input "(Restated)" beside Balance at August 31, 2004 where not taken from the finalized 2003-2004 Audited Financial Statements

Note 2 Excludes fees collected pursuant to Section 60(2)(j) of the School Act (fees with respect to instructional supplies or materials - essentially textbooks, resource materials in lieu of textbooks, media, software, and materials for classrooms). Amounts collected for CEU-related activities are recorded as instruction resource fees, not SGF

Note 3 Net SGF Expended for Discretionary Purposes is recorded as revenue and expense in the Statement of Revenues & Expenses.

Note 4 Unexpended SGF is carried forward to the Statement of Financial Position

School Jurisdiction Code: 2275

SCHEDULE F to the AFS
Operations and Maintenance Program Expenses - 2004-2005

EXPENSES	Custodial	Maintenance	Utilities and Telecommunications	Expensed Mod./I.M.P. & Portable Relocations	Facility Planning & Operations Administration	SUB-TOTAL Operations & Maintenance	Supported Capital & Debt Services	TOTAL Operations and Maintenance
Uncertificated salaries and wages	$0	$552,454	$0	$177	$154,066	$706,697		$706,697
Uncertificated benefits	$0	$102,805	$0		$49,292	$152,096		$152,096
Sub-total Remuneration	$0	$655,259	$0	$177	$203,357	$858,794		$858,794
Contracted Services	$1,082,710	$55,646	$0	$437,917		$1,576,273		$1,576,273
Supplies	$0	$555,190	$0	$1,571	$7,209	$563,971		$563,971
Electricity			$566,218			$566,218		$566,218
Natural Gas/Heating Fuel			$488,591			$488,591		$488,591
Sewer and Water			$102,516			$102,516		$102,516
Telecommunications			$23,474			$23,474		$23,474
Insurance					$179,076	$179,076		$179,076
Amortization of capital assets								
Supported							$1,677,313	$1,677,313
Unsupported						$116,844		$116,844
Total Amortization						$116,844	$1,677,313	$1,794,157
Interest on capital debt								
Supported							$732,011	$732,011
Unsupported				$0		$39,187		$39,187
Other interest charges						$0		$0
Losses on disposal of capital assets						$0		$0
Cost recoveries & transfers						$0		$0
TOTAL EXPENSES	$1,082,710	$1,266,095	$1,180,799	$439,666	$389,642	$4,514,943	$2,409,324	$6,924,267
SQUARE METRES								
School Buildings								73,151.7
Non School Buildings								4,565.0
UNCERTIFICATED FTE'S (Board/Contract)	16.0	14.9						

Notes:

Custodial:	All expenses related to activities undertaken to keep the school environment clean and safe
Maintenance:	All expenses associated with the repair, replacement and minor construction of buildings, grounds and equipment components. This includes regular and preventative maintenance undertaken to ensure components reach or exceed their life cycle and the repair of broken components
Utilities & Telecommunications:	All expenses related to electricity, natural gas and other heating fuels, sewer and water and all forms of telecommunications
Expensed Block Mod/I.M.P. & Portable Relocations:	All expenses associated with non-capital activites related to Block Modemization, Infrastructure Maintenance Programs (AKA Building Quality Restoration Program) and portable relocations
Facility Planning & Operations Administration:	All expenses related to the administration of operations and maintenance including (but not limited to) contract administration, clerical functions, negotiations, supervision of employees and contractors, administration of capital projects (including new schools, I.M.P., block modemization and portable relocations), administration of joint-use agreements, and all expenses related to ensuring compliance with health and safety statndards, codes and government regulations
Supported Capital & Debt Services:	All expenses related to supported capital assets amortization and interest on supported capital debt

School Jurisdiction Code: 2275

SCHEDULE G to the AFS
DISCLOSURE OF SALARIES AND BENEFITS - 2004-2005
(SECTION 148.1 OF THE SCHOOL ACT)

		FTEs	Remuneration	Benefits	Allowances	Performance Bonuses	ERIP's / Other	Total	Expenses
Chairperson:									
Name	Warren Bruleigh, Chairman	1.0	$18,201	$0	$0			$18,201	$3,782
Name	Gerry Steinke, Vice - Chairman	1.0	$24,307	$783	$0			$25,090	$11,209
Other Board Members:									
Name	Brenda Giesbrecht	1.0	$17,996	$4,083	$0			$22,079	$9,046
Name	Stan Jeffreys	0.9	$19,557	$4,529	$0			$24,085	$6,653
Name	Grethe Jensen	0.1	$2,699	$395	$0			$3,094	$1,090
Name	Barbara Maddigan	1.0	$12,975	$1,726	$0			$14,701	$3,009
Name	Judy Muir	1.0	$31,284	$4,025	$0			$35,309	$10,935
Name	Terry Slemko	1.0	$16,077	$4,418	$0			$20,495	$3,640
Name	Maureen Wilcox	1.0	$14,096	$4,385	$0			$18,481	$4,918
Name	Merv Zadderey	1.0	$19,509	$4,538	$0			$24,048	$7,789
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Subtotal		*9.0*	*$176,702*	*$28,883*	*$0*			*$205,585*	*$62,069*
Superintendent	Eugene Miller	1.0	$118,645	$9,064	$0	$0	$0	$127,709	$32,171
Superintendent		0.0	$0	$0	$0	$0	$0	$0	$0
Secretary/Treasurer	Michael Gramatovich	1.0	$96,425	$16,840	$0	$0	$0	$113,265	$15,259
Secretary/Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Board Secretary		0.0	$0	$0	$0	$0	$0	$0	$0
Board Secretary		0.0	$0	$0	$0	$0	$0	$0	$0
Board Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Board Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Certificated Salaries		323.7	$22,180,856	$2,421,024	$0	$0	$0	$24,601,880	
Uncertificated Salaries & Wages		228.5	$6,673,315	$1,457,892	$0	$0	$0	$8,131,208	
TOTALS			**$29,245,943**	**$3,933,703**	**$0**	**$0**	**$0**	**$33,179,647**	

Note: Please refer to completion information on page 15

School Jurisdiction Code: 1245

AUDITED
FINANCIAL STATEMENTS
and Supporting Schedules
FOR THE YEAR ENDED AUGUST 31, 2005
[School Act, Sections 147(2)(a), 148, 151(1) and 276]

NORTHERN LIGHTS SCHOOL DIVISION NO. 69
Legal Name of School Jurisdiction

6005 - 50 AVENUE, BONNYVILLE, AB T9N 2G9
Mailing Address

PHONE: 780-826-3145 FAX: 780-826-4600
Telephone and Fax Numbers

SCHOOL JURISDICTION MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The financial statements and supporting schedules NORTHERN LIGHTS SCHOOL DIVISION NO. 69
(Name of School Jurisdiction)
presented to Alberta Learning have been prepared by school jurisdiction management which has responsibility for their preparation, integrity and objectivity. The financial statements and schedules, including notes, have been prepared in accordance with generally accepted accounting principles and Ministerial requirements for Alberta school jurisdictions.

In fulfilling its reporting responsibilities, management has maintained internal control systems and procedures designed to provide reasonable assurance that the school jurisdiction's assets are safeguarded, that transactions are executed in accordance with appropriate authorization and that accounting records may be relied upon to properly reflect the school jurisdiction's transactions. The effectiveness of the control systems is supported by the selection and training of qualified personnel, an organizational structure that provides an appropriate division of responsibility and a strong budgetary system of control.

Board of Trustees Responsibility
The ultimate responsibility for the financial statements lies with the Board of Trustees. The Board reviewed the financial statements with management in detail and the Board approved the financial statements for release.

External Auditors
The Board appoints external auditors to audit the financial statements and meets with the auditors to review their findings. The external auditors have full and free access to school jurisdiction records.

Declaration of Management and Board Chairman
To the best of our knowledge and belief, these financial statements and supporting schedules reflect, in all material respects, the financial position and results of operations and cash flows for the year in accordance with generally accepted accounting principles and Ministerial requirements for Alberta school jurisdictions.

BOARD CHAIRMAN

WALTER HRYCAUK	"ORIGINAL SIGNED"
Name	Signature

SUPERINTENDENT

ED WITTCHEN	"ORIGINAL SIGNED"
Name	Signature

SECRETARY TREASURER OR TREASURER

GARY KRAWCHUK	"ORIGINAL SIGNED"
Name	Signature

9-Nov-05
Board-approved Release Date

c.c. **ALBERTA EDUCATION, School Reporting Branch,**
8th Floor Commerce Place, 10155-102 Street, Edmonton AB T5J 4L5
EMAIL: Cindy.Jarry@gov.ab.ca
PHONE: (780) 427-7782 FAX: (780) 422-6996

ROSS & TOPYLKI LLP○
Chartered Accountants

Brian W. Ross*, C.A.
Beverley Topylki*, C.A.
* Denotes Professional Corporation
○ Limited Liability Partnership

Bonnyville
Phone: (780) 826-4469
(780) 826-3188
Fax: (780) 826-3705
Cold Lake
Phone: (780) 594-5554
Fax: (780) 594-2824

AUDITORS' REPORT

To the Board of Trustees of:
Northern Lights School Division No. 69

We have audited the statement of financial position of the Northern Lights School Division No. 69 (School Division) as at August 31, 2005 and the statements of revenues and expenses, cash flows, changes in net assets and capital allocations for the year then ended. These financial statements are the responsibility of the School Division's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance as to whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the School Division as at August 31, 2005, and the results of its operations, changes in cash flows, net assets and capital allocations for the year then ended in accordance with Canadian generally accepted accounting principles.

Our audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplementary information included in Schedules A through G is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such supplementary information has been subjected to the auditing procedures applied in the audit of the basic financial statements and in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

Bonnyville, Alberta
October 28, 2005

Chartered Accountants

#200 - 5201 - 44th Street, New Park Place ♦ Box 6279 ♦ Bonnyville, Alberta ♦ T9N 2G8
#1 - 5121 -50th Avenue ♦ Box 1740 ♦ Cold Lake, Alberta ♦ T9M 1P4 (part-time office)
E-mail: rosstop@telusplanet.net

School Jurisdiction Code: 1245

STATEMENT OF FINANCIAL POSITION

as at August 31, 2005

(in dollars)

		2005	2004
ASSETS			
Current assets			
Cash and temporary investments		$4,877,065	$10,444,972
Accounts receivable (net after allowances)		$4,396,196	$2,914,743
Prepaid expenses		$966,558	$230,027
Other current assets		$0	$0
Total current assets		$10,239,819	$13,589,742
School generated assets		$814,469	$718,511
Trust assets		$56,711	$54,851
Long term accounts receivable		$77,233	$44,000
Long term investments		$0	$0
Capital assets			
Land		$2,187,269	$1,856,960
Buildings	$56,894,435		
Less: accumulated amortization	($27,019,659)	$29,874,776	$27,250,086
Equipment	$3,571,286		
Less: accumulated amortization	($2,361,225)	$1,210,061	$979,670
Vehicles	$1,785,055		
Less: accumulated amortization	($1,012,436)	$772,619	$735,142
Total capital assets		$34,044,725	$30,821,858
TOTAL ASSETS		$45,232,957	$45,228,962
LIABILITIES			
Current liabilities			
Bank indebtedness		$0	$0
Accounts payable and accrued liabilities		$3,094,191	$1,901,577
Deferred revenue		$635,878	$613,479
Deferred capital allocations		$12,128	$3,266,746
Current portion of all long term debt		$1,019,958	$1,086,295
Total current liabilities		$4,762,155	$6,868,097
School generated liabilities		$814,469	$718,511
Trust liabilities		$56,711	$54,851
Employee future benefits liability		$1,500	$0
Long term payables and accrued liabilities		$0	$0
Long term debt			
Supported: Debentures and other supported debt		$8,521,117	$9,607,412
Less: Current portion of supported debt		($1,019,958)	($1,086,295)
Unsupported: Debentures and Capital Loans		$0	$0
Capital Leases		$0	$0
Mortgages		$0	$0
Less: Current portion of unsupported debt		$0	$0
Unamortized capital allocations		$21,043,978	$17,151,919
Total long term liabilities		$29,417,817	$26,446,398
TOTAL LIABILITIES		$34,179,972	$33,314,495
NET ASSETS			
Unrestricted net assets		$975,268	$1,036,772
Operating Reserves		$5,598,088	$6,815,170
Accumulated Operating Surplus (Deficit)		$6,573,357	$7,851,942
Investment in capital assets		$4,479,628	$4,062,525
Capital Reserves		$0	$0
Total Capital Funds		$4,479,628	$4,062,525
Total net assets		$11,052,985	$11,914,467
TOTAL LIABILITIES AND NET ASSETS		$45,232,957	$45,228,962

Note: Input "(Restated)" in 2004 column heading where comparatives are not taken from the finalized 2003-2004 Audited Financial Statements.

School Jurisdiction Code: 1245

STATEMENT OF REVENUES AND EXPENSES

for the Year Ended August 31, 2005

(in dollars)

	Actual 2005	Budget 2005	Actual 2004
REVENUES			
Government of Alberta	$50,974,764	$48,516,472	$48,809,495
Federal Government and/or First Nations	$2,235,263	$2,147,869	$2,047,645
Other Alberta school authorities	$0	$0	$0
Out of province authorities	$0	$0	$0
Alberta Municipalities (excluding supplementary requisitions)	$20,000	$0	$40,000
Instruction resource fees	$12,488	$30,000	$15,455
Transportation fees	$125,757	$117,851	$113,362
Other sales and services	$568,676	$375,101	$530,627
Investment income	$193,146	$120,000	$210,996
Gifts and donations	$18,234	$0	$30,996
Rentals of facilities	$29,885	$6,300	$15,686
Net school generated funds	$580,978	$600,000	$552,312
Gains on disposal of capital assets	$0	$0	$31,250
Amortization of capital allocations	$1,622,901	$1,588,850	$1,533,751
Total Revenues	$56,382,092	$53,502,443	$53,931,575
EXPENSES			
Certificated salaries	$25,357,658	$23,325,145	$23,430,860
Certificated benefits	$3,007,056	$2,755,371	$2,706,498
Uncertificated salaries and wages	$9,046,784	$8,135,441	$8,273,934
Uncertificated benefits	$2,279,504	$1,912,098	$2,007,183
Services, contracts and supplies	$13,826,276	$14,332,746	$13,135,280
Net school generated funds	$580,978	$600,000	$552,312
Capital and debt services			
Amortization of capital assets			
Supported	$1,622,901	$1,588,849	$1,533,751
Unsupported	$518,349	$541,925	$519,043
Total Amortization of capital assets	$2,141,250	$2,130,774	$2,052,794
Interest on capital debt			
Supported	$993,096	$983,096	$1,116,437
Unsupported	$0	$0	$0
Total Interest on capital debt	$993,096	$983,096	$1,116,437
Other interest charges	$3,270	$3,260	$9,303
Losses on disposal of capital assets	$7,702	$0	$0
Total Expenses	$57,243,574	$54,177,931	$53,284,601
SURPLUS (DEFICIT) OF REVENUES OVER EXPENSES BEFORE EXTRAORDINARY ITEM	($861,482)	($675,488)	$646,974
Extraordinary Item	$0	$0	$0
SURPLUS (DEFICIT) OF REVENUES OVER EXPENSES	($861,482)	($675,488)	$646,974

Note: Input "(Restated)" in Budget 2005 and/or Actuals 2004 column headings where comparatives are not taken from the respective finalized 2004-2005 Budget Report and/or finalized 2003-2004 Audited Financial Statements.

School Jurisdiction Code: 1245

STATEMENT OF CASH FLOWS

for the Year Ended August 31, 2005

(in dollars)

	2005	2004
CASH FLOWS FROM:		
A. OPERATIONS		
Surplus (deficit) of revenues over expenses for the year	($861,482)	$646,974
Add (Deduct) items not requiring cash:		
Amortization of capital allocations revenue	($1,622,901)	($1,533,751)
Total amortization expense	$2,141,250	$2,052,794
Gains on disposal of capital assets	$0	($31,250)
Losses on sale of capital assets	$7,702	$0
Changes in accrued accounts:		
Accounts receivable	($1,481,453)	($759,327)
Prepaids and other current assets	($736,531)	$487,452
Long term accounts receivable	($33,233)	($44,000)
Long term investments	$0	$0
Payables and accrued liabilities	$1,192,614	($1,314,896)
Deferred revenue	$22,399	($223,656)
Employee future benefit expense (recovery)	$1,500	$0
Other (describe)	$0	$0
Total sources (uses) of cash from Operations	($1,370,135)	($719,660)
B. INVESTING ACTIVITIES		
Purchases of capital assets		
Land	($385,495)	($136,261)
Buildings	($4,147,407)	($2,859,775)
Equipment	($552,384)	($257,509)
Vehicles	($286,533)	($158,344)
Net proceeds from disposal of capital assets	$0	$31,250
Other (describe)	$0	$0
Total sources (uses) of cash from Investing activities	($5,371,819)	($3,380,639)
C. FINANCING ACTIVITIES		
Capital allocations	$1,174,047	$116,793
Issue of long term debt	$0	$0
Repayment of long term debt	($1,086,295)	($1,323,352)
Add back: supported portion	$1,086,295	$1,188,988
Other (describe)	$0	$0
Total sources (uses) of cash from Financing activities	$1,174,047	($17,571)
Net sources (uses) of cash during year	($5,567,907)	($4,117,870)
Cash and temporary investments, net of bank indebtedness, at Aug. 31/04	$10,444,972	$14,562,842
Cash and temporary investments, net of bank indebtedness, at Aug. 31/05	$4,877,065	$10,444,972

Note: 1 Input "(Restated)" in 2004 column heading where not taken from the finalized 2003-2004 Audited Financial Statements.

2 Cash and temporary investments are net of cash obligations.

School Jurisdiction 1245

STATEMENT OF CHANGES IN NET ASSETS
for the Year Ended August 31, 2005
(in dollars)

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
	TOTAL NET ASSETS Cols. 2+3+4	INVESTMENT IN CAPITAL ASSETS	UNRESTRICTED NET ASSETS	TOTAL INTERNALLY RESTRICTED NET ASSETS Cols. 5 to 14	INTERNALLY RESTRICTED NET ASSETS									
					School Based		Infrastructure		Board & System Admin.		Transportation		External Services	
					Operating Reserves	Capital Reserves	O& M Operating Reserves	Capital Reserves	Operating Reserves	Capital Reserves	Operating Reserves	Capital Reserves	Operating Reserves	Capital Reserves
Balance at August 31, 2004	$11,914,467	$4,062,525	$1,036,772	$6,815,170	$3,496,012	$0	$2,016,342	$0	$841,397	$0	$461,419	$0	$0	$0
Prior period adjustments (describe)														
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Adjusted Balance,Aug.31, 2004	$11,914,467	$4,062,525	$1,036,772	$6,815,170	$3,496,012	$0	$2,016,342	$0	$841,397	$0	$461,419	$0	$0	$0
Surplus(def) of revenue over expenses	($861,482)		($861,482)											
Board funded capital transactions		$943,154	($943,154)	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Direct credits to net assets	$0	$0												
Amortization of capital assets		($2,141,250)	$2,141,250											
Amortization of capital allocations		$1,622,901	($1,622,901)											
Disposal of unsupported capital assets	$0	($7,702)	$7,702	$0		$0		$0		$0		$0		$0
Disposal of supported capital assets (board funded portion)	$0	$0	$0	$0		$0		$0		$0		$0		$0
Debt principal payments (unsupported)		$0	$0											
Net transfers to operating reserves			($445,473)	$445,473	$0		$210,670		$192,899		$41,905		$0	
Net transfers from operating reserves			$1,662,555	($1,662,555)	($1,662,555)		$0		$0		$0		$0	
Net transfers to capital reserves			$0	$0		$0		$0		$0		$0		$0
Net transfers from capital reserves			$0	$0		$0		$0		$0		$0		$0
Balance at August 31, 2005	$11,052,985	$4,479,628	$975,268	$5,598,088	$1,833,457	$0	$2,227,012	$0	$1,034,296	$0	$503,324	$0	$0	$0

School Jurisdiction Code: 1245

STATEMENT OF CAPITAL ALLOCATIONS
(SUPPORTED CAPITAL FINANCING ONLY)
for the Year Ended August 31, 2005

(in dollars)

	Deferred Capital Allocations	Unamortized Capital Allocations
Balance at August 31, 20	$3,266,746	$17,151,919
Prior period adjustment	$0	$0
Adjusted balance, August 31, 2004	$3,266,746	$17,151,919
Add:		
Capital allocations from: Infrastructure and Transportation-New/Modernization Projects	$976,641	
Other Government of Alberta	$0	
Federal Government and/or First Nations	$0	
Other sources	$0	
Interest earned on provincial government capital allocations	$61,014	
Other capital grants and donations	$136,392	
Proceeds on disposal of supported capital assets	$0	
Insurance proceeds	$0	
Donated capital assets (amortizable, at Fair Market Value)		$0
Transferred in capital assets (amortizable, at Net Book Value)		$0
Current Year Debenture Principal Repayment		$1,086,295
Expended capital allocations - current year	($4,428,665)	$4,428,665
Less:		
Unamortized Capital Allocation affected by a disposal through transfer out		$0
Capital allocations amortized to revenue		$1,622,901
Balance at August 31, 2005	$12,128	$21,043,978

1. AUTHORITY AND PURPOSE

The School Division delivers education programs under the authority of the School Act, Revised Statutes of Alberta 2000, Chapter S-3.

The School Division receives block allocations for instruction and support under Regulation 77/2003. The regulation allows for the setting of conditions and use of grant monies. The School Division is limited on administration expenses and is permitted to reallocate funding within the Alberta Learning instruction and support block areas.

2. ACCOUNTING POLICIES

These financial statements have been prepared in accordance with Canadian generally accepted accounting principles and accounting policies consistent with those prescribed by Alberta Learning for Alberta school juridictions. The financial statements have, in management's opinion, been properly prepared within reasonable limits of materiality and within the framework of the accounting policies summarized below:

(a) Revenue recognition

Revenue is recognized as follows:

Instruction and support allocations are recognized in the year to which they relate.

Fees for services related to courses and programs are recognized as revenue when such courses and programs are delivered.

Unrestricted contributions are recognized as revenue when received or receivable. Contributions in-kind are recorded at fair market when reasonably determinable.

Externally restricted contributions are deferred and recognized as revenue in the period in which the restriction is complied with. Endowment contributions are recognized as direct increases in net assets in the period in which they are received.

2. ACCOUNTING POLICIES (Continued)

(b) Capital assets

Capital assets are recorded at cost and are amortized over their estimated useful lives on a straight line basis, at the following annual rates:

Buildings	2.5%, 4% and 10%
Equipment	10% and 20%
Vehicles	10% and 20%

Only capital assets with costs in excess of $5,000 are capitalized. Any capital allocations received for asset additions are amortized over the same period as the related asset.

(c) School generated funds

These are funds in the community, which come under the control and responsibility of the school principal and are for school activities. These funds are usually collected and retained at the school for expenditures paid at the school level (e.g. yearbook sales, graduation fees, field trip fees, etc.).

(d) Vacation pay

Vacation pay is accrued in the period in which the employee earns the benefit.

(e) Contributed services

Volunteers contribute a considerable number of hours per year to various schools, which are within the school board, to ensure that certain programs are delivered, such as kindergarten, lunch services and the raising of school generated funds. Because of the difficulty of compiling these hours and the fact that these services are not otherwise purchased, contributed services are not recognized in the financial statements.

(f) Prepaid expenses

Certain expenditures incurred and paid before the close of the school year are for specific school supplies, which will be consumed subsequent to the year-end, and are accordingly recorded as prepaid expenses. Certain insurance expenses fall into this category.

2. ACCOUNTING POLICIES (Continued)

(g) Pensions

Pension costs included in these statements comprise the cost of employer contributions for current service of employees during the year.

The current service and past service costs of the Alberta Teacher Retirement Fund are met by contibutions by active members and the Government of Alberta. Under the terms of the Teachers Pension Plan Act, the School Division does not make pension contributions for certificated staff.

(h) Operating and Capital Reserves

Reserves are established at the discretion of the Board of Trustees of the School Division, to set aside funds for operating and for future capital expenditures. Such reserves are appropriations of accumulated surplus.

(i) Use of estimates

The preparation of financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting periods. Actual results could differ from those estimates.

3. TRUST ASSETS AND LIABILITIES

This balance represents cash that is held in trust by the School Division for a scholarship trust.

4. ACCOUNTS RECEIVABLE

	2005	2004
Province of Alberta	$ 2,365,478	$ 1,880,329
Federal Government	1,835,909	989,772
Other receivables	194,809	44,641
	$ 4,396,196	$ 2,914,743

5. BANK INDEBTEDNESS

The School Division has negotiated a line of credit to a maximum of the lesser of $5,000,000 or its outstanding accounts receivable as per the most recent audited financial statements, bearing interest at prime less 0.25% per annum secured by a revolving line of credit agreement and related demand promissory note in the amount of $5,000,000, school division borrowing resolution for capital and current expenditures, Government of Alberta Department of Education Ministerial order #141/94, and an EFT transfer agreement. There was no balance outstanding on the line of credit as at year end.

6. ACCOUNTS PAYABLE

	2005	2004
Province of Alberta	$ 494,149	$ 501,688
Other trade payables and accrued liabilities	2,601,541	1,399,888
	$ 3,095,690	$ 1,901,577

7. DEFERRED REVENUE

	2005	2004
Alberta Initiative for School Improvement	$ 171,374	$ 265,515
Infrastructure Maintenance Program	218,448	-
Cooperative transportation grant	108,336	-
Other	137,720	121,035
Telus Collaborative Projects	-	103,639
DIA Tuition 2004	-	123,290
	$ 635,878	$ 613,479

8. LONG TERM DEBT

a) Debenture Debt - Supported

The debenture debt bears interest at rates varying between 7.5% and 12%. The debenture debt is fully supported by Alberta Finance. The current portion of long-term debt consists entirely of amounts payable by Alberta Treasury on supported debt; therefore, the working capital (current assets minus current liabilities) is understated by this amount. Debenture payments due over the next five years and beyond are as follows:

	Principal	Interest	Total
2006	$ 1,019,958	$ 877,083	$ 1,897,041
2007	999,027	767,289	1,766,316
2008	892,765	660,008	1,552,773
2009	819,075	565,477	1,384,552
2010	761,185	479,790	1,240,975
Thereafter	4,029,107	1,412,648	5,441,755
	$ 8,521,117	$ 4,762,295	$13,283,412

b) Capital Leases - Unsupported

Currently, there are no capital leases held by the School Division.

9. DEFERRED CAPITAL ALLOCATIONS

Deferred capital allocations represent externally-restricted supported capital funds provided for a specific capital purpose that have been received or are receivable by the School Division, but the related expenditure has not yet been made at year end. These unspent deferred capital allocations are not amortized until the expenditure has been made and it is at that time that the balance is transferred to the unamortized capital allocations account.

10. UNAMORTIZED CAPITAL ALLOCATIONS

Unamortized capital allocations represent externally-restricted supported capital funds that have been spent, but have yet to be amortized over the useful life of the applicable capital asset to which the restricted capital allocations apply The unamortized capital allocations account balance is increased by transfers of previously deferred capital allocations now spent, as well as fully-supported debentured capital funds, as the principal is repaid.

11. CONTINGENCIES

The School Division is a member of several reciprocal insurance exchanges including ALARIE, Jubilee and ASBIE. A portion of the premiums paid each year represents equity contributions to the insurance fund. These payments have been recorded as expenditures in the financial statements as the value of equity is subject to liability claims and is not an asset that the School Division can liquidate.

12. COMMITMENTS

a) Building Projects

The School Division is committed to further capital expenditures for phase II of the J.A. Williams school modernization of approximately $1,927,009. These costs are to be fully funded by the capital allocations from Alberta Infrastructure.

b) Equipment Leases

The School Division is committed to the following minimum annual lease payments for photocopiers and computer equipment pursuant to a leases expiring July, 2007 and August, 2009:

2006	$ 481,176
2007	481,176
2008	458,686
2009	458,686
	$ 1,879,724

13. ECONOMIC DEPENDENCE ON RELATED THIRD PARTY

The School Division's primary source of income is from the Alberta Government. The School Division's ability to continue viable operations is dependent on this funding.

14. BUDGET AMOUNTS

The budget was prepared by the School Division and approved by the Board of Trustees. It is presented for information purposes only and has not been audited.

15. FINANCIAL INSTRUMENTS

The School Division's financial instruments consist of cash and temporary investments, accounts receivable, school generated funds, trust assets and liabilities, bank indebtedness, accounts payable and accrued liabilities, employee future benefits liability and long term debt. It is management's opinion that the School Division is not exposed to significant interest, currency, or credit risks arising from these financial instruments. Unless otherwise noted, the fair value of these financial instruments approximates their carrying values. The jurisdiction has invested surplus funds in accordance with Section 60 of the School Act and Section 5 of the Trustees Act.

SCHEDULE A to the AFS

School Jurisdiction Cod 1245

ALLOCATION OF REVENUES AND EXPENSES TO PROGRAMS - 2004-2005

REVENUES	TOTAL	ECS to Grade 12 Instruction	Operations and Maintenance of Schools & Maintenance Shops	Transportation	Board & System Admin.	External Services
(1) **Alberta Education Revenues**	$44,819,081	$37,905,597	$0	$4,932,007	$1,981,477	$0
Alberta Infrastructure and Transportation						
(2) Infrastructure Maintenance Program & Portable Relocations support	$4,873,685	$0	$4,873,685			
(3) Regular Operations & Maintenance support	$0		$0			
(4) Other support	$0	$0	$0			
(5) **Total Alberta Infrastructure and Transportation Revenues**	$4,873,685	$0	$4,873,685			
(6) **Alberta Finance**	$993,096		$993,096			$0
(7) **Other - Government of Alberta**	$288,902	$149,825	$17,362	$0	$0	$121,715
(8) **Federal Government and/or First Nations**	$2,235,263	$1,915,306	$229,019	$0	$90,938	$0
(9) **Other Alberta school authorities**	$0	$0	$0	$0	$0	$0
(10) **Out of province authorities**	$0	$0	$0	$0	$0	$0
(11) **Alberta municipalities** (excl. supplementary requisitions)	$20,000	$20,000	$0	$0	$0	$0
(12) **Instruction resource fees**	$12,488	$12,488				
(13) **Transportation fees**	$125,757			125,757		
(14) **Other sales and services**	$568,676	$389,512	$33,098	$0	$3,111	142,955
(15) **Investment income**	$193,146	$140,997	$27,040	$17,383	$7,726	$0
(16) **Gifts and donations**	$18,234	$18,234	$0	$0		$0
(17) **Rentals of facilities**	$29,885	$7,715	$22,170	$0	$0	$0
(18) **Net school generated funds**	$580,978	$580,978			$0	
(19) **Gains on disposal of capital assets**	$0	$0	$0	$0	$0	$0
(20) **Amortization of capital allocations**	$1,622,901	$133,024	$1,489,877	$0		$0
(21) **TOTAL REVENUES**	$56,382,092	$41,273,676	$7,685,347	$5,075,147	$2,083,252	$264,670
EXPENSES						
(22) **Certificated salaries**	$25,357,658	$25,105,780			$136,500	$115,378
(23) **Certificated benefits**	$3,007,056	$2,985,149			$11,897	$10,010
(24) **Uncertificated salaries and wages**	$9,046,784	$6,865,895	$1,269,477	$155,284	$678,208	$77,920
(25) **Uncertificated benefits**	$2,279,504	$1,819,720	$284,742	$33,843	$135,121	$6,078
(26) **SUB - TOTAL**	$39,691,002	$36,776,544	$1,554,219	$189,127	$961,726	$209,386
(27) **Services, contracts & supplies**	$13,826,276	$4,900,541	$3,321,275	$4,808,488	$740,688	$55,284
(28) **Cost recoveries & charges to programs**	$0	($163,697)	$0	$30,000	$133,697	$0
(29) **Net school generated funds**	$580,978	$580,978				
Capital and debt services						
Amortization of capital assets						
(30) Supported	$1,622,901	$133,024	$1,489,877	$0	$0	$0
(31) Unsupported	$518,349	$353,242	$116,210	$5,627	$43,270	$0
(32) Total Amortization	$2,141,250	$486,266	$1,606,087	$5,627	$43,270	$0
Interest on capital debt						
(33) Supported	$993,096	$0	$993,096	$0	$0	$0
(34) Unsupported	$0	$0	$0	$0	$0	$0
(35) Other interest charges	$3,270	$0	$0	$0	$3,270	$0
(36) Losses on disposal of capital assets	$7,702	$0	$0	$0	$7,702	$0
(37) **TOTAL EXPENSES**	$57,243,574	$42,580,632	$7,474,677	$5,033,242	$1,890,353	$264,670
(38) **SURPLUS (DEFICIT) BEFORE EXTRAORDINARY ITEM**	($861,482)	($1,306,956)	$210,670	$41,905	$192,899	$0

School Jurisdiction Code: 1245

SCHEDULE B to the AFS

ALBERTA EDUCATION REVENUES 2004-2005

	TOTAL
Base Funding	
Early Childhood Services (ECS)	1,104,490
Base Instruction (Gr 1-12)	26,890,424
Outreach Programs	208,080
Home Education	57,403
Differential Cost Funding *	14,128,378
Other Provincial Support	
Institutional Programs	133,713
Regional Consortium (6 boards) and Regional Educational Consulting Services (4 boards)	$0
Learning Resources Credit	47,227
Federal French Funding	26,399
Provincial Priority Targeted Funding	
Class Size Initiative	993,487
Student Health Initiative (SHI)	140,352
Alberta Initiative for School Improvement (AISI)	849,176
High Speed Networking	31,373
Children and Youth with Complex Needs	$0
Other Alberta Education Revenues (describe) Textbook & Resources , Microsoft Rebate, Video Conferencing	$208,579
Total Alberta Education Revenues	$44,819,081

* Differential Cost Funding is based on distribution formulas designed to address variable cost factors and incremental costs associated with other variables and specific student populations. Included in differential cost funding are allocations for students with severe disabilities, English as a second language students, Francisation and support services for immigrant students, aboriginal students, gifted & talented early childhood services children and those with mild or moderate or severe disabilities, the percentage of the student population experiencing low socio-economic status, small schools by necessity, intra-jurisdiction distances, year to year enrolment fluctuations, small school board administration, schools located in the north, boarding, transportation, stabilization of funding, and cost differences among school jurisdictions for purchasing goods and services.

School Jurisdiction Code: 1245

SCHEDULE C the AFS

ECS to Grade 12 INSTRUCTION PROGRAMS Expense Details - 2004-2005

SUB-PROGRAMS & INITIATIVES	ECS to GRADE 12 Instruction						
	Certificated Remuneration	Uncertificated Remuneration	Services, Contracts & Supplies [1]	Learning Resources	Cost Recoveries & Transfers	Other Expenses [2]	TOTAL EXPENSES
School Administration & All Instruction Support	$3,072,372	$2,639,683	$236,279		($163,697)	$200,258	$5,984,895
Mild & Moderate Disabilities/Gifted & Talented (ECS-12)	$395,648	$1,589,552	$0		$0		$1,985,200
ECS Program Unit (PUF)	$0	$555,675	$70,764		$0		$626,439
Severe Disabilities (Gr 1-12)	$1,403,604	$3,016,391	$306,684		$0		$4,726,679
English as a Second Language	55,846	$0	$0		$0		$55,846
French Language Program & Francisation (all jurisdictions)	26,399	$0	$0		$0		$26,399
First Nations, Metis and Inuit Education (ECS - Gr 12)	$1,600,380	$0	$0		$0		$1,600,380
Home Education	$0	$0	$18,956		$0		$18,956
Institutional Programs	$89,593	$69,967	$13,856		$0		$173,416
Alberta Initiative for School Improvement	$593,802	$67,867	$187,507	$0	$0		$849,176
Student Health Initiative	$0	$133,997	$6,355		$0		$140,352
High Speed Networking			$31,373		$0		$31,373
Class Size	$992,516	$0	$0	$0	$0		$992,516
Children and Youth with Complex Needs (ECS - Gr 12)	$0	$0	$0		$0		$0
All Other Student Instruction Expenses (ECS - Gr 12)	$19,860,769	$612,483	$3,881,751	$178,389	$0	$866,986	$25,369,005
TOTAL EXPENSES	$28,090,929	$8,685,615	$4,753,525	$178,389	($163,697)	$1,067,244	$42,580,632

FULL-TIME-EQUIVALENCIES (Board/Contract)	FTE Certificated	FTE Uncertificated
Mild & Moderate Disabilities/Gifted & Talented (ECS - Gr 12	5.2	55.3
ECS Program Unit (PUF)	0.0	25.6
Severe Disabilities (Gr 1-12)	18.4	95.7

Note 1 Excludes Learning Resources

Note 2 Includes Net School Generated Funds, Amortization, Interest, and Losses on Disposal of Instruction Program Capital Assets.

School Jurisdiction Code: 1245

SCHEDULE D to the AFS
CALCULATION OF MAXIMUM ELIGIBLE EXPENSE LIMIT FOR BOARD (GOVERNANCE) AND SYSTEM ADMINISTRATION - 2004-2005

TOTAL EXPENSES	**$57,243,574**

STEP 1

Calculation of maximum expense limit PERCENTAGE for Board and System Administration expenses

If "Total Net Enrolled Students" are 6,000 and over	= 4%	**4.00%**
If "Total Net Enrolled Students" are 2,000 and less	= 6%	

The Maximum Expense Limit for Board and System Administration is based on an arithmetical proration for the TOTAL FTE count for grades 1 -12, net of Home Education AND Adult students, between 2,000 to 6,000 at .0005 per FTE

EXAMPLE: 4,500 FTE count grades 1-12 = 6,000 - 4,500 = 1,500 X .0005 = .75% plus 4% = maximum expense limit of 4.75%

Note: Calculation unnecessary if Total FTE is 6,000 or more, and 2,000 & less

STEP 2

Calculate maximum expense limit AMOUNTS for Board and System Administration expenses

Maximum Expense Limit percentage (Step 1) x TOTAL EXPENSES		$2,289,743
Considerations for Charter Schools and Small School Boards:		
If **Charter School**, enter $56,100	$0	$0
If **School Board**, please enter your 04-05 Gr 1- 12 funded enrolment	0	
	$0	$0
MAXIMUM EXPENSE LIMIT		**$2,289,743**

STEP 3

Compare maximum expense limit amounts calculated in Step 2 to actual expenses (from Schedule A)

Actual Board Governance & System Administration expenses	$1,890,353
PLUS: transfers to Restricted - Operating (Board/System Administration)	$192,899
LESS: transfers from Restricted - Operating (Board/System Administration)	$0
TOTAL BOARD GOVERNANCE & SYSTEM ADMINISTRATION EXPENSES	$2,083,252
MAXIMUM EXPENSE LIMIT	$2,289,743
ACTUAL EXPENSES - OVER(UNDER) MAXIMUM EXPENSE LIMIT	-$206,491

School Jurisdiction Code: 1245

SCHEDULE E to the AFS
SOURCE & APPLICATION OF SCHOOL GENERATED FUNDS (SGF) - 2004-2005

Unexpended SGF - Opening Balance August 31, 2004 (Note 1)				$718,511
Source of Net School Generated Funds:	**Gross SGF**	**Related Expenses**	**Net SGF**	
Fundraising activities	$1,201,994	$1,018,951	$183,043	
Student fees (Non-Instructional) (Note 2)	$372,474		$372,474	
Donations and grants to schools	$121,419		$121,419	
Other (describe)	$0	$0	$0	
Net Additions to SGF	$1,695,887	$1,018,951		$676,936
Net SGF Available for Discretionary Spending				$1,395,447
Application of Net School Generated Funds:				
Extra-curricular activities			$497,906	
School beautification			$3,017	
Field Trips			$65,633	
Equipment			$14,422	
Family literacy and other community resources			$0	
Other (describe)			$0	
Net SGF Expended for Discretionary Purposes (Note 3)				$580,978
Unexpended SGF - Closing Balance August 31, 2005 (Note 4)				$814,469

School Generated Funds (SGF) are funds raised in the community for student activities that come under the control and responsibility of school management. These funds are usually collected and retained at the school for expenditures paid at the school level. SGF does not include fees with respect to instructional supplies or materials collected pursuant to Section 60(2)(j) of the *School Act*, and any other funds collected at the school but remitted to central office and accounted for by the jurisdiction (facility rentals, capital assets purchases, etc.)

Note 1	Input "(Restated)" beside Balance at August 31, 2004 where not taken from the finalized 2003-2004 Audited Financial Statements
Note 2	Excludes fees collected pursuant to Section 60(2)(j) of the School Act (fees with respect to instructional supplies or materials - essentially textbooks, resource materials in lieu of textbooks, media, software, and materials for classrooms). Amounts collected for CEU-related activities are recorded as instruction resource fees, not SGF
Note 3	Net SGF Expended for Discretionary Purposes is recorded as revenue and expense in the Statement of Revenues & Expenses
Note 4	Unexpended SGF is carried forward to the Statement of Financial Position

School Jurisdiction Code: 1245

SCHEDULE F to the AFS
Operations and Maintenance Program Expenses - 2004-2005

EXPENSES	Custodial	Maintenance	Utilities and Telecommunications	Expensed Mod./I.M.P. & Portable Relocations	Facility Planning & Operations Administration	SUB-TOTAL Operations & Maintenance	Supported Capital & Debt Services	TOTAL Operations and Maintenance
Uncertificated salaries and wages	$492,920	$593,732	$0	$0	$182,825	$1,269,477		$1,269,477
Uncertificated benefits	$119,069	$124,807	$0	$0	$40,866	$284,742		$284,742
Sub-total Remuneration	$611,989	$718,539	$0	$0	$223,691	$1,554,219		$1,554,219
Contracted Services	$797,680	$243,735	$0	$0	$15,995	$1,057,410		$1,057,410
Supplies	$211,628	$391,645	$0	$270,445	$2,818	$876,536		$876,536
Electricity			$687,637			$687,637		$687,637
Natural Gas/Heating Fuel			$503,908			$503,908		$503,908
Sewer and Water			$63,598			$63,598		$63,598
Telecommunications			$27,315			$27,315		$27,315
Insurance					$104,871	$104,871		$104,871
Amortization of capital assets								
Supported							$1,489,877	$1,489,877
Unsupported						$116,210		$116,210
Total Amortization						$116,210	$1,489,877	$1,606,087
Interest on capital debt								
Supported							$993,096	$993,096
Unsupported				$0		$0		$0
Other interest charges						$0		$0
Losses on disposal of capital assets						$0		$0
Cost recoveries & transfers						$0		$0
TOTAL EXPENSES	$1,621,297	$1,353,919	$1,282,458	$270,445	$347,375	$4,991,704	$2,482,973	$7,474,677
SQUARE METRES								
School Buildings								79,551.9
Non School Buildings								3,665.9
UNCERTIFICATED FTE'S (Board/Contract)	0.0	0.0						

Notes:

Custodial:	All expenses related to activities undertaken to keep the school environment clean and safe.
Maintenance:	All expenses associated with the repair, replacement and minor construction of buildings, grounds and equipment components. This includes regular and preventative maintenance undertaken to ensure components reach or exceed their life cycle and the repair of broken components.
Utilities & Telecommunications:	All expenses related to electricity, natural gas and other heating fuels, sewer and water and all forms of telecommunications.
Expensed Block Mod/I.M.P. & Portable Relocations:	All expenses associated with non-capital activites related to Block Modernization, Infrastructure Maintenance Programs (AKA Building Quality Restoration Program) and portable relocations.
Facility Planning & Operations Administration:	All expenses related to the administration of operations and maintenance including (but not limited to) contract administration, clerical functions, negotiations, supervision of employees and contractors, administration of capital projects (including new schools, I.M.P., block modernization and portable relocations), administration of joint-use agreements, and all expenses related to ensuring compliance with health and safety statndards, codes and government regulations.
Supported Capital & Debt Services:	All expenses related to supported capital assets amortization and interest on supported capital debt.

School Jurisdiction Code: 1245

SCHEDULE G to the AFS
DISCLOSURE OF SALARIES AND BENEFITS - 2004-2005
(SECTION 148.1 OF THE SCHOOL ACT)

		FTEs	Remuneration	Benefits	Allowances	Performance Bonuses	ERIP's / Other	Total	Expenses
Chairperson:									
Name	Hrynyk, Arlene	1.0	$14,055	$511	$0			$14,566	$9,765
Name		0.0	$0	$0	$0			$0	$0
Other Board Members:									
Name	Doonanco, Peter	1.0	$7,905	$39	$0			$7,944	$5,648
Name	Evans, Mary Lynn	1.0	$11,130	$373	$0			$11,503	$7,259
Name	Hyrcauk, Walter	0.8	$9,840	$297	$0			$10,137	$7,554
Name	Kunec, Nestor	1.0	$10,380	$228	$0			$10,608	$6,250
Name	McDonald, Randy	1.0	$12,625	$458	$0			$13,083	$11,865
Name	Ryll, Adolph	0.2	$315	$3	$0			$318	$75
Name	Smaeil, Danny	0.8	$7,065	$251	$0			$7,316	$4,347
Name	Suhan, Roxanne	1.0	$11,355	$427	$0			$11,782	$7,878
Name	Todd, Rodney	0.2	$1,080	$13	$0			$1,093	$210
Name	Welwood, Heather	1.0	$11,625	$377	$0			$12,002	$6,421
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Subtotal		*9.0*	*$97,375*	*$2,977*	*$0*			*$100,352*	*$67,272*
Superintendent	Ed Wittchen	1.0	$136,500	$10,397	$0	$0	$0	$146,897	$13,937
Superintendent		0.0	$0	$0	$0	$0	$0	$0	$0
Secretary/Treasurer	Gary Krawchuk	1.0	$111,092	$17,991	$0	$0	$0	$129,083	$3,645
Secretary/Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Board Secretary		0.0	$0	$0	$0	$0	$0	$0	$0
Board Secretary		0.0	$0	$0	$0	$0	$0	$0	$0
Board Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Board Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Certificated Salaries		351.2	$25,221,158	$2,996,659	$0	$0	$0	$28,217,817	
Uncertificated Salaries & Wages		278.8	$8,838,317	$2,258,536	$0	$0	$0	$11,096,853	
TOTALS			**$34,404,442**	**$5,286,560**	**$0**	**$0**	**$0**	**$39,691,002**	

Note: Please refer to completion information on page 15.

School Jurisdiction Code 1280

AUDITED
FINANCIAL STATEMENTS
and Supporting Schedules
FOR THE YEAR ENDED AUGUST 31, 2005
[School Act, Sections 147(2)(a), 148, 151(1) and 276]

Northland School Division No. 61
Legal Name of School Jurisdiction

9809 - 77 Ave. Peace River, AB, T8S 1V2
Mailing Address

Telephone #: (780) 624-2060 FAX #: (780) 624-5914
Telephone and Fax Numbers

SCHOOL JURISDICTION MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The financial statements and supporting schedules Northland School Division No. 61
(Name of School Jurisdiction)
presented to Alberta Learning have been prepared by school jurisdiction management which has responsibility for their preparation, integrity and objectivity. The financial statements and schedules, including notes, have been prepared in accordance with generally accepted accounting principles and Ministerial requirements for Alberta school jurisdictions.

In fulfilling its reporting responsibilities, management has maintained internal control systems and procedures designed to provide reasonable assurance that the school jurisdiction's assets are safeguarded, that transactions are executed in accordance with appropriate authorization and that accounting records may be relied upon to properly reflect the school jurisdiction's transactions. The effectiveness of the control systems is supported by the selection and training of qualified personnel, an organizational structure that provides an appropriate division of responsibility and a strong budgetary system of control.

Board of Trustees Responsibility
The ultimate responsibility for the financial statements lies with the Board of Trustees. The Board reviewed the financial statements with management in detail and the Board approved the financial statements for release.

External Auditors
The Board appoints external auditors to audit the financial statements and meets with the auditors to review their findings. The external auditors have full and free access to school jurisdiction records.

Declaration of Management and Board Chairman
To the best of our knowledge and belief, these financial statements and supporting schedules reflect, in all material respects, the financial position and results of operations and cash flows for the year in accordance with generally accepted accounting principles and Ministerial requirements for Alberta school jurisdictions.

BOARD CHAIRMAN

Steve Noskey	**"ORIGINAL SIGNED"**
Name	**Signature**

SUPERINTENDENT

Annette Ramrattan	**"ORIGINAL SIGNED"**
Name	**Signature**

SECRETARY TREASURER OR TREASURER

Len Leithead	**"ORIGINAL SIGNED"**
Name	**Signature**

26-Nov-05
Board-approved Release Date

c.c. **ALBERTA EDUCATION, School Reporting Branch,**
8th Floor Commerce Place, 10155-102 Street, Edmonton AB T5J 4L5
EMAIL: Cindy.Jarry@gov.ab.ca
PHONE: (780) 427-7782 FAX: (780) 422-6996

Auditor's Report

To the Board of Directors of Northland School Division No. 61

I have audited the statement of financial position of the Northland School Division No. 61 as at August 31, 2005 and the statements of revenues and expenses, cash flows, changes in net assets, capital allocations and Schedule G disclosure of salaries and benefits for the year then ended. All other schedules attached to these financial statements are unaudited. These financial statements are the responsibility of the Division's management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In my opinion, these financial statements present fairly, in all material respects, the financial position of the Division as at August 31, 2005 and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

"Original Signed By
Fred J. Dunn, FCA"
Auditor General

Edmonton, Alberta
October 21, 2005

School Jurisdiction Code: 1280

STATEMENT OF FINANCIAL POSITION

as at August 31, 2005

(in dollars)

		2005	2004
ASSETS			
Current assets			
Cash and temporary investments		$4,882,350	$1,848,450
Accounts receivable (net after allowances)		$7,413,787	$9,118,813
Prepaid expenses		$138,736	$204,239
Other current assets		$88,196	$103,040
Total current assets		$12,523,069	$11,274,542
School generated assets		$312,963	$277,622
Trust assets		$0	$0
Long term accounts receivable		$1,025,581	$1,187,650
Long term investments		$0	$0
Capital assets			
Land		$577,347	$577,347
Buildings	$82,007,555		
Less accumulated amortization	($47,050,757)	$34,956,798	$36,567,679
Equipment	$9,049,837		
Less accumulated amortization	($7,576,244)	$1,473,593	$1,200,017
Vehicles	$4,482,563		
Less accumulated amortization	($2,703,230)	$1,779,333	$1,785,218
Total capital assets		$38,787,071	$40,130,261
TOTAL ASSETS		$52,648,684	$52,870,075
LIABILITIES			
Current liabilities			
Bank indebtedness		$0	$0
Accounts payable and accrued liabilities		$3,898,348	$3,853,739
Deferred revenue		$1,448,104	$1,325,245
Deferred capital allocations		$147,955	$404,324
Current portion of all long term debt		$2,163,680	$2,170,400
Total current liabilities		$7,658,087	$7,753,708
School generated liabilities		$312,963	$277,622
Trust liabilities		$0	$0
Employee future benefits liability		$0	$0
Long term payables and accrued liabilities		$0	$0
Long term debt			
Supported	Debentures and other supported debt	$9,717,039	$11,885,514
	Less: Current portion of supported debt	($2,161,755)	($2,168,475)
Unsupported	Debentures and Capital Loans	$17,322	$19,247
	Capital Leases	$0	$0
	Mortgages	$0	$0
	Less: Current portion of unsupported debt	($1,925)	($1,925)
Unamortized capital allocations		$22,413,322	$21,762,024
Total long term liabilities		$30,296,966	$31,774,007
TOTAL LIABILITIES		$37,955,053	$39,527,715
NET ASSETS			
Unrestricted net assets		$2,518,817	$1,747,568
Operating Reserves		$1,695,835	$1,459,377
Accumulated Operating Surplus (Deficit)		$4,214,652	$3,206,945
Investment in capital assets		$6,639,395	$6,463,478
Capital Reserves		$3,839,584	$3,671,937
Total Capital Funds		$10,478,979	$10,135,415
Total net assets		$14,693,631	$13,342,360
TOTAL LIABILITIES AND NET ASSETS		$52,648,684	$52,870,075

Note: Input "(Restated)" in 2004 column heading where comparatives are not taken from the finalized 2003-2004 Audited Financial Statements

School Jurisdiction Code: 1280

STATEMENT OF REVENUES AND EXPENSES

for the Year Ended August 31, 2005

(in dollars)

	Actual 2005	Budget 2005	Actual 2004
REVENUES			
Government of Alberta	$31,753,341	$30,102,213	$26,871,095
Federal Government and/or First Nations	$17,112,314	$16,887,807	$16,565,379
Other Alberta school authorities	$0	$0	$0
Out of province authorities	$0	$0	$0
Alberta Municipalities (excluding supplementary requisitions)	$0	$0	$0
Instruction resource fees	$0	$0	$0
Transportation fees	$0	$0	$0
Other sales and services	$378,511	$128,495	$303,895
Investment income	$133,957	$130,000	$124,601
Gifts and donations	$114,809	$10,000	$257,098
Rentals of facilities	$772,674	$781,177	$755,612
Net school generated funds	$312,497	$565,782	$725,019
Gains on disposal of capital assets	$39,531	$0	$79,736
Amortization of capital allocations	$2,373,934	$2,276,960	$2,375,528
Total Revenues	$52,991,568	$50,882,434	$48,057,963
EXPENSES			
Certificated salaries	$18,419,852	$17,970,759	$17,774,076
Certificated benefits	$4,261,545	$4,491,023	$4,196,945
Uncertificated salaries and wages	$9,910,884	$9,208,442	$8,904,344
Uncertificated benefits	$2,076,607	$2,295,002	$1,901,687
Services, contracts and supplies	$12,057,794	$12,277,185	$12,168,183
Net school generated funds	$312,497	$565,782	$725,019
Capital and debt services			
Amortization of capital assets			
Supported	$2,373,934	$2,276,960	$2,375,528
Unsupported	$981,951	$1,086,118	$991,391
Total Amortization of capital assets	$3,355,885	$3,363,078	$3,366,919
Interest on capital debt			
Supported	$1,228,900	$1,228,900	$1,476,209
Unsupported	$2,908	$2,082	$1,896
Total Interest on capital debt	$1,231,808	$1,230,982	$1,478,105
Other interest charges	$8,062	$7,500	$9,020
Losses on disposal of capital assets	$5,364	$0	$5,981
Total Expenses	$51,640,298	$51,409,753	$50,530,279
SURPLUS (DEFICIT) OF REVENUES OVER EXPENSES BEFORE EXTRAORDINARY ITEM	$1,351,270	($527,319)	($2,472,316)
Extraordinary Item	$0	$0	$0
SURPLUS (DEFICIT) OF REVENUES OVER EXPENSES	$1,351,270	($527,319)	($2,472,316)

Note: Input "(Restated)" in Budget 2005 and/or Actuals 2004 column headings where comparatives are not taken from the respective finalized 2004-2005 Budget Report and/or finalized 2003-2004 Audited Financial Statements.

School Jurisdiction Code: 1280

STATEMENT OF CASH FLOWS

for the Year Ended August 31, 2005

(in dollars)

	2005	2004
CASH FLOWS FROM:		
A. OPERATIONS		
Surplus (deficit) of revenues over expenses for the year	$1,351,270	($2,472,316)
Add (Deduct) items not requiring cash:		
Amortization of capital allocations revenue	($2,373,934)	($2,375,528)
Total amortization expense	$3,355,885	$3,366,919
Gains on disposal of capital assets	($39,531)	($79,736)
Losses on sale of capital assets	$5,364	$5,981
Changes in accrued accounts:		
Accounts receivable	$1,705,026	($2,029,871)
Prepaids and other current assets	$80,347	$31,341
Long term accounts receivable	$162,069	$270,644
Long term investments	$0	$0
Payables and accrued liabilities	$44,609	$1,399,071
Deferred revenue	$122,859	($153,917)
Employee future benefit expense (recovery)	$0	$0
Other (describe)	$0	$0
Total sources (uses) of cash from Operations	$4,413,964	($2,037,412)
B. INVESTING ACTIVITIES		
Purchases of capital assets		
Land	$0	$0
Buildings	($954,303)	($1,525,292)
Equipment	($704,386)	($437,086)
Vehicles	($380,227)	($690,463)
Net proceeds from disposal of capital assets	$60,389	$101,416
Other (describe)	$0	$0
Total sources (uses) of cash from Investing activities	($1,978,527)	($2,551,425)
C. FINANCING ACTIVITIES		
Capital allocations	$600,388	$1,200,863
Issue of long term debt	$0	$0
Repayment of long term debt	($2,170,400)	($2,206,022)
Add back: supported portion	$2,168,475	$2,198,052
Other (describe)	$0	$0
Total sources (uses) of cash from Financing activities	$598,463	$1,192,893
Net sources (uses) of cash during year	$3,033,900	($3,395,944)
Cash and temporary investments, net of bank indebtedness, at Aug. 31/04	$1,848,450	$5,244,394
Cash and temporary investments, net of bank indebtedness, at Aug. 31/05	$4,882,350	$1,848,450

Note: 1 Input "(Restated)" in 2004 column heading where not taken from the finalized 2003-2004 Audited Financial Statements

2 Cash and temporary investments are net of cash obligations

School Jurisdiction 1280

STATEMENT OF CHANGES IN NET ASSETS
for the Year Ended August 31, 2005

(in dollars)

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
	TOTAL NET ASSETS Cols 2+3+4	INVESTMENT IN CAPITAL ASSETS	UNRESTRICTED NET ASSETS	TOTAL INTERNALLY RESTRICTED NET ASSETS Cols 5 to 14	INTERNALLY RESTRICTED NET ASSETS									
					School Based		Infrastructure		Board & System Admin.		Transportation		External Services	
					Operating Reserves	Capital Reserves	O& M Operating Reserves	Capital Reserves	Operating Reserves	Capital Reserves	Operating Reserves	Capital Reserves	Operating Reserves	Capital Reserves
Balance at August 31, 2004	$13,342,360	$6,463,478	$1,747,568	$5,131,314	$140,006	$1,105,851	$0	$998,806	$54,018	$429,339	$0	$382,849	$1,265,353	$755,092
Prior period adjustments (describe)														
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Adjusted Balance,Aug.31, 2004	$13,342,360	$6,463,478	$1,747,568	$5,131,314	$140,006	$1,105,851	$0	$998,806	$54,018	$429,339	$0	$382,849	$1,265,353	$755,092
Surplus(def) of revenue over expense	$1,351,270		$1,351,270											
Board funded capital transactions		$1,182,164	$0	($1,182,164)	($12,490)	($295,799)	$0	($285,409)	$0	($274,048)	$0	($165,054)	$0	($149,364)
Direct credits to net assets	$0	$0												
Amortization of capital assets		($3,355,885)	$3,355,885											
Amortization of capital allocations		$2,373,934	($2,373,934)											
Disposal of unsupported capital assets	$0	($26,221)	($34,167)	$60,389		$1,250		$53,018		$306		$3,640		$2,175
Disposal of supported capital assets (board funded portion)	$0	$0	$0	$0		$0		$0		$0		$0		$0
Debt principal payments (unsupported)		$1,925	($1,925)											
Net transfers to operating reserves			($259,341)	$259,341	$38,699		$0		$0		$0		$220,642	
Net transfers from operating reserves			$10,393	($10,393)	($10,393)		$0		$0		$0		$0	
Net transfers to capital reserves			($1,276,932)	$1,276,932		$293,435		$122,504		$306,154		$262,901		$291,938
Net transfers from capital reserves			$0	$0		$0		$0		$0		$0		$0
Balance at August 31, 2005	$14,693,630	$6,639,395	$2,518,817	$5,535,419	$155,822	$1,104,737	$0	$888,919	$54,018	$461,751	$0	$484,336	$1,485,995	$899,841

School Jurisdiction Code: 1280

STATEMENT OF CAPITAL ALLOCATIONS
(SUPPORTED CAPITAL FINANCING ONLY)

for the Year Ended August 31, 2005

(in dollars)

	Deferred Capital Allocations	Unamortized Capital Allocations
Balance at August 31, 20	$404,324	$21,762,024
Prior period adjustment	$0	$0
Adjusted balance, August 31, 2004	$404,324	$21,762,024
Add:		
Capital allocations from: Infrastructure and Transportation-New/Modernization Projects	$570,270	
Other Government of Alberta	$0	
Federal Government and/or First Nations	$0	
Other sources	$28,862	
Interest earned on provincial government capital allocations	$1,256	
Other capital grants and donations	$0	
Proceeds on disposal of supported capital assets	$0	
Insurance proceeds	$0	
Donated capital assets (amortizable, at Fair Market Value)		$0
Transferred in capital assets (amortizable, at Net Book Value)		$0
Current Year Debenture Principal Repayment		$2,168,475
Expended capital allocations - current year	($856,757)	$856,757
Less:		
Unamortized Capital Allocation affected by a disposal through transfer out		$0
Capital allocations amortized to revenue		$2,373,934
Balance at August 31, 2005	$147,955	$22,413,322

NORTHLAND SCHOOL DIVISION NO. 61
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2005

Note 1 Authority

Northland School Division No. 61 delivers education programs under the authority of the School Act, Revised Statutes of Alberta 2000, Chapter S-3 and also operates under the authority of the Northland School Division Act, Chapter N-5, Revised Statutes of Alberta, 2000.

The Division receives block allocations for instruction and support under Regulation 77/2003. The regulation limits funding and expenses for administration. It permits the jurisdiction, within specified limits, to reallocate funding between the instruction and support blocks.

Note 2 Significant Accounting Policies and Reporting Practices

These financial statements have been prepared in accordance with Canadian generally accepted accounting principles (GAAP) and accounting policies consistent with those prescribed by Alberta Learning for Alberta school jurisdictions. The precise determination of many assets and liabilities is dependant on future events. As a result, the preparation of financial statements for a period involves the use of estimates and approximations, which have been made using careful judgment. Actual results could differ from those estimates and approximations. The financial statements have, in management's opinion, been properly prepared within reasonable limits of materiality and within the framework of the accounting policies summarized below:

(a) Revenue Recognition

Revenue is recognized as follows:

Instruction and support allocations are recognized in the year to which they relate.

Externally restricted non-capital contributions are deferred and recognized as revenue in the year when related expenses are incurred.

Fees for service related to courses and programs are recognized as revenue when such courses and programs are delivered.

Capital allocations from the Province or other agencies are recorded as deferred capital allocations until spent. Once spent, they are transferred to unamortized capital allocations which are amortized to revenue on the same basis as the capital asset acquired with the grant.

Unrestricted donations are recognized as revenue when they are received.

(b) Capital Assets

Capital assets are recorded at cost. The cost less an estimated residual value is amortized over their estimated useful lives on a straight-line basis at the following rates:

Buildings	5 to 40 years
Computers	5 years
Equipment	5 to 10 years
Vehicles	3 to 6 years

Note 2 con't

Computers and related equipment are capitalized, together with other capital assets having a cost in excess of $5,000. Any capital allocations received for asset additions are amortized over the same period as the related asset.

(c) School Generated Funds

Funds generated from school based activities are included as assets, liabilities, revenues, and expenses of the school jurisdiction because the accountability and control/ownership of these funds rests with the school jurisdiction.

(d) Prepaid Expenses

Certain expenditures incurred and paid before the close of the school year are for specific school supplies, which will be consumed subsequent to the year-end, and are accordingly recorded as prepaid expenses. Certain insurance expenses fall into this category.

(e) Vacation Pay

Vacation Pay is accrued in the period in which the employee earns the benefit.

(f) Contributed Services

Volunteers assist schools operated by the Division in carrying out certain activities. Because of the difficulty of determining their fair value and of the fact such assistance is generally not otherwise purchased, contributed services are not recognized in the financial statements.

(g) Pension Obligation:

The Division participates in the Local Authorities Pension Plan. In addition, the Division's certificated employees are required to contribute to the Teachers' Retirement Fund. These pension plans are multi-employer defined benefit pension plans that provide pensions for the Division's participating employees, based on years of service and earnings.

Pension costs are disclosed as part of salaries and wages and are comprised of the amount of employer contributions required for its employees during the year, based on rates which are expected to provide for benefits payable under the Local Authorities Pension Plan, and the Province's contributions to the Teachers' Retirement Fund for the Division's certificated employees. The Division's portion of the pension plans deficits or surpluses are not recorded by the Division.

(h) Operating and Capital Reserves:

Reserves are established at the discretion of the Board of Trustees of the jurisdiction, to set aside funds for operating and for future capital expenditures. Such reserves are appropriations of unrestricted net assets.

NORTHLAND SCHOOL DIVISION NO. 61
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2005

Note 3 Cash and temporary investments

Cash and cash equivalents include cash on hand, balances with banks and short term deposits with original maturities of three months or less.

Note 4 Financial Instruments

The jurisdiction's financial instruments consist of cash, accounts receivable, temporary investments, long term accounts receivable, accounts payable, accrued liabilities, and long-term debt. It is management's opinion that the jurisdiction is not exposed to significant interest, or currency risk arising from these financial instruments. Unless otherwise noted, the fair values of these financial instruments approximate their carrying values. The jurisdiction has invested surplus funds in accordance with Section 60 of the *School Act* and Section 5 of the Trustees Act.

Note 5 Other Current Assets

Other current assets consist of advances to various hot lunch programs throughout the division.

Note 6 Tuition Fees

Pursuant to agreements, the Minister of Indian and Northern Affairs and certain Indian Bands have agreed to pay to the Board of the Division a per capita share of the annual net operating costs of the Board for each Indian Student enrolled. The calculation of the amount recoverable from the Minister and the Bands is subject to possible future adjustments since all components of the net operating costs must be mutually agreed upon by the Minister or Bands and the Board, as required under the agreements.

Note 7 External services

External services consist of several different departments which do not fit into any of the existing classification on Schedule A. The three major components of external services are housing, school food services, and contracts with First Nations and Provincial funding agencies.

Note 8 Accounts Receivable (Net after allowances)

	2005	2004
Short Term		
Province of Alberta	$ 2,164,200	$ 3,573,214
First Nations	4,836,081	5,156,222
Department of Indian Affairs	88,197	55,076
Other Federal Government	283,304	303,518
Other	42,005	30,783
Total Short Term	$ 7,413,787	$ 9,118,813
Long Term		
First Nations	1,025,581	1,187,650
Total Accounts Receivable	$ 8,439,368	$ 10,306,463

NORTHLAND SCHOOL DIVISION NO. 61
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2005

Note 9 Accounts Payable and Accrued Liabilities

	2005	2004
Trade payables	$ 2,566,297	$ 2,460,917
Wage payable accrual	661,304	513,143
Vacation payable	309,309	280,611
Federal Government payable	291,631	401,544
Holdbacks payable	33,538	156,173
Security deposits payable	36,269	41,351
	$ 3,898,348	$ 3,853,739

Note 10 Deferred Revenue

	2005	2004
Block IMP funding	$ 500,498	$ 301,480
Operations & Maintenance support	334,973	390,485
2001-2002 Modernization grant	154,337	263,811
2000-2001 Modernization grant	-	53,693
Alberta Initiative for School Improvement	204,761	148,542
Other Provincial Revenue	153,035	81,059
Scholarships	51,900	38,075
Donations	48,600	48,100
	$ 1,448,104	$ 1,325,245

Note 11 Commitments

Lease Obligations

The Division leases certain buildings and office equipment under operating leases. The future minimum lease payments under operating leases are as follows:

2006	124,500
2007	84,381
2008	48,416
2009	43,092
2010	1,109
	$301,498

Note 12 Bank Indebtedness

The jurisdiction has negotiated a line of credit in the amount of $1,500,000 that bears interest at the bank prime rate minus ¼ percent. The line of credit is secured by a security agreement, covering all revenue of the jurisdiction. There was no balance outstanding on the line of credit at August 31, 2005.

Note 13 Long-term Debt

The school division has issued the following debentures to the Alberta Capital Finance Authority (A.C.F.A.) to finance purchase of land, school buildings and some residences having a carrying value of $35,534,145. The interest rates on these debentures range from 7 ¾% to 12%.

		2005	2004
Total debentures owing to A.C.F.A.		$ 9,734,361	$ 11,904,761
Less due within one year	- Supported	2,161,755	2,168,475
	- Unsupported	1,925	1,925
		$ 7,570,681	$ 9,734,361

Principal & interest repayments required during each of the next five fiscal years are as follows:

	Principal	Interest	Total
2005-2006	$2,163,680	$ 988,502	$ 3,152,182
2006-2007	2,041,577	741,636	2,783,213
2007-2008	1,735,423	492,018	2,227,441
2008-2009	1,577,826	333,308	1,911,134
2009 to maturity	2,215,855	327,744	2,543,599
Total	$ 9,734,361	$ 2,883,208	$ 12,617,569

Principal repayments and interest on the above debentures, with the exception of 5 debentures totaling $17,322 as at August 31, 2005, (2004 - $19,247) are funded by Alberta Finance.

Note 14 Pension Costs

The pension expense recorded in these financial statements is equivalent to the Division's annual contributions payable of $389,011 for the year ended August 31, 2005 (2004 - $319,811). The Division has also recorded in these financial statements contributions made to Teachers' Retirement Fund in the amount of $2,305,979 for the year ending August 31, 2005 (2004 - $2,277,282). Under the terms of the Teachers' Pension Plan Act, the Division does not make pension contributions for certificated staff, these contributions are made by the Alberta Government.

As of December 31, 2004 the Local Authorities Pension Plan reported a deficit of $1,288,924,000 (2003 deficit of - $1,453,487,000). At August 31, 2004 the Teachers' Retirement Fund reported a deficit of $6,691,518,000 (2003 - $5,995,466,000).

Note 15 Subsequent Events

Subsequent to August 31, 2005 the Minister of Infrastructure made a funding announcement in respect to new school construction projects in the province. Northland School Division No. 61 was awarded funding for two schools in the amount 12.4 million dollars. One new school will be located at East Prairie at an estimated cost of $3.3 million and a replacement of an existing school at Peavine at an estimated cost of $9.1 million

Note 16 Residential Schools

A number of claims have been filed against the Government of Canada. The Division has been named as a third party with the Government in these claims in regards to programs offered by the Division from the early 1960's to the early 1970's. In one of the claims the division has been named as a defendant. The Division has entered into an indemnity agreement in which the Province of Alberta has agreed to indemnify Northland School Division for these claims and related costs incurred.

Note 17 Contingencies

The Division in conduct of its normal activities is a defendant in legal proceedings. While the ultimate outcome of these proceedings cannot be predicted at this time, it is the opinion of the management that adequate provision for these proceedings have been made in the Division's accounts. It is believed that the resolution of the proceedings will not have a material effect on the financial position of the Division, however, should any additional loss result from the resolution of these proceeding, such amounts would be expensed as the related amounts become known to the Division.

Note 18 Budget Amounts

The budget was prepared by the Division's management with Board of Trustees approval given on June 19, 2004. The budget amounts have been adjusted to include contributions made by the Government of Alberta to the Teachers' Retirement Fund for comparative purposes.

Note 19 Economic Dependence on Related Third Party

Northland School Division's primary source of income is from the Alberta Government. The Division's ability to continue viable operations is dependent on this funding.

Note 20 Presentation of Comparative Information

Certain figures have been reclassified to conform to current year's presentation.

Note 21 Approval of Financial Statements

These financial statements were prepared by management and approved by the Board of Trustees on November 26, 2005.

SCHEDULE A to the AFS

ALLOCATION OF REVENUES AND EXPENSES TO PROGRAMS - 2004-2005

School Jurisdiction Cod 1280

REVENUES	TOTAL	ECS to Grade 12 Instruction	Operations and Maintenance of Schools & Maintenance Shops	Transportation	Board & System Admin.	External Services
(1) **Alberta Education Revenues**	$27,321,330	$20,803,621	$0	$2,197,953	$1,382,713	$2,937,043
Alberta Infrastructure and Transportation						
(2) Infrastructure Maintenance Program & Portable Relocations support	$474,802	$0	$474,802			
(3) Regular Operations & Maintenance support	$2,508,894		$2,508,894			
(4) Other support	$60,000	$0	$60,000			
(5) **Total Alberta Infrastructure and Transportation Revenues**	$3,043,696	$0	$3,043,696			
(6) **Alberta Finance**	$1,228,900		$1,115,906			$112,994
(7) **Other - Government of Alberta**	$159,415	$8,204	$0	$0	$0	$151,211
(8) **Federal Government and/or First Nations**	$17,112,314	$11,068,796	$2,430,893	$852,994	$1,134,584	$1,625,047
(9) **Other Alberta school authorities**	$0	$0	$0	$0	$0	$0
(10) **Out of province authorities**	$0	$0	$0	$0	$0	$0
(11) **Alberta municipalities** (excl. supplementary requisitions)	$0	$0	$0	$0	$0	$0
(12) **Instruction resource fees**	$0	$0				
(13) **Transportation fees**	$0			$0		
(14) **Other sales and services**	$378,511	$58,909	$85,002	$3,836	$12,252	$218,512
(15) **Investment income**	$133,957	$101,591	$0	$0	$0	$32,366
(16) **Gifts and donations**	$114,809	$107,898	$0	$0		$6,911
(17) **Rentals of facilities**	$772,674	$0	$11,556	$0	$0	$761,118
(18) **Net school generated funds**	$312,497	$312,497			$0	
(19) **Gains on disposal of capital assets**	$39,531	$3,888	$32,833	$329	$306	$2,175
(20) **Amortization of capital allocations**	$2,373,934	$28,645	$2,206,677	$0		$138,612
(21) **TOTAL REVENUES**	$52,991,568	$32,494,049	$8,926,563	$3,055,112	$2,529,855	$5,985,989
EXPENSES						
(22) **Certificated salaries**	$18,419,852	$16,649,494			$240,675	$1,529,683
(23) **Certificated benefits**	$4,261,545	$3,861,259			$52,654	$347,632
(24) **Uncertificated salaries and wages**	$9,910,884	$5,219,591	$1,912,746	$700,174	$884,388	$1,193,985
(25) **Uncertificated benefits**	$2,076,607	$1,145,200	$422,224	$148,531	$177,217	$183,435
(26) **SUB - TOTAL**	$34,668,888	$26,875,544	$2,334,970	$848,705	$1,354,934	$3,254,735
(27) **Services, contracts & supplies**	$12,057,794	$3,423,601	$3,429,292	$2,095,148	$1,101,595	$2,008,158
(28) **Cost recoveries & charges to programs**	$0	$0	($223,253)	$0	$0	$223,253
(29) **Net school generated funds**	$312,497	$312,497				
Capital and debt services						
Amortization of capital assets						
(30) Supported	$2,373,934	$28,645	$2,206,677	$0	$0	$138,612
(31) Unsupported	$981,951	$289,717	$77,625	$270,454	$106,685	$237,470
(32) Total Amortization	$3,355,885	$318,362	$2,284,302	$270,454	$106,685	$376,082
Interest on capital debt						
(33) Supported	$1,228,900	$0	$1,115,906	$0	$0	$112,994
(34) Unsupported	$2,908	$0	$0	$0	$0	$2,908
(35) Other interest charges	$8,062	$1,554	$0	$0	$6,508	$0
(36) Losses on disposal of capital assets	$5,364	$1,293	$0	$527	$2	$3,542
(37) **TOTAL EXPENSES**	$51,640,298	$30,932,851	$8,941,217	$3,214,834	$2,569,724	$5,981,672
(38) **SURPLUS (DEFICIT) BEFORE EXTRAORDINARY ITEM**	$1,351,270	$1,561,198	($14,654)	($159,722)	($39,869)	$4,317

School Jurisdiction Code: 1280

SCHEDULE B to the AFS
ALBERTA EDUCATION REVENUES 2004-2005

	TOTAL
Base Funding	
Early Childhood Services (ECS)	$758,480
Base Instruction (Gr 1-12)	$7,584,059
Outreach Programs	$0
Home Education	$11,844
Differential Cost Funding *	$13,289,009
Other Provincial Support	
Institutional Programs	$0
Regional Consortium (6 boards) and Regional Educational Consulting Services (4 boards)	$0
Learning Resources Credit	$44,633
Federal French Funding	$0
Provincial Priority Targeted Funding	
Class Size Initiative	$220,631
Student Health Initiative (SHI)	$14,420
Alberta Initiative for School Improvement (AISI)	$280,920
High Speed Networking	$27,813
Children and Youth with Complex Needs	$0
Other Alberta Education Revenues (describe) School Food Services, Classroom resources	$5,089,521
Total Alberta Education Revenues	$27,321,330

* Differential Cost Funding is based on distribution formulas designed to address variable cost factors and incremental costs associated with other variables and specific student populations. Included in differential cost funding are allocations for students with severe disabilities, English as a second language students, Francisation and support services for immigrant students, aboriginal students, gifted & talented early childhood services children and those with mild or moderate or severe disabilities, the percentage of the student population experiencing low socio-economic status, small schools by necessity, intra-jurisdiction distances, year to year enrolment fluctuations, small school board administration, schools located in the north, boarding, transportation, stabilization of funding, and cost differences among school jurisdictions for purchasing goods and services.

School Jurisdiction Code: 1280

SCHEDULE C the AFS

ECS to Grade 12 INSTRUCTION PROGRAMS Expense Details - 2004-2005

SUB-PROGRAMS & INITIATIVES	ECS to GRADE 12 Instruction						
	Certificated Remuneration	Uncertificated Remuneration	Services, Contracts & Supplies [1]	Learning Resources	Cost Recoveries & Transfers	Other Expenses [2]	TOTAL EXPENSES
School Administration & All Instruction Support	$2,662,970	$1,135,153	$994,325		$0	$20,282	$4,812,730
Mild & Moderate Disabilities/Gifted & Talented (ECS-12)	$2,168,428	$131,581	$0		$0		$2,300,009
ECS Program Unit (PUF)	$101,224	$297,895	$65,590		$0		$464,709
Severe Disabilities (Gr 1-12)	$1,912,036	$1,354,223	$273,838		$0		$3,540,097
English as a Second Language	$514,943	$137,584	$52,850		$0		$705,377
French Language Program & Francisation (all jurisdictions)	$0	$0	$0		$0		$0
First Nations, Metis and Inuit Education (ECS - Gr 12)	$344,410	$534,901	$178,858		$0		$1,058,169
Home Education	$0	$2,451	$30,524		$0		$32,975
Institutional Programs	$0	$0	$0		$0		$0
Alberta Initiative for School Improvement	$72,744	$32,654	$182,976	$0	$0		$288,374
Student Health Initiative	$0	$8,058	$2,908		$0		$10,966
High Speed Networking			$0		$0		$0
Class Size	$37,208	$0	$57,144	$0	$0		$94,352
Children and Youth with Complex Needs (ECS - Gr 12)	$0	$0	$0		$0		$0
All Other Student Instruction Expenses (ECS - Gr 12)	$12,696,790	$2,730,291	$1,539,955	$44,633	$0	$300,927	$17,625,093
TOTAL EXPENSES	$20,510,753	$6,364,791	$3,378,968	$44,633	$0	$321,209	$30,932,851

FULL-TIME-EQUIVALENCIES (Board/Contract)	FTE Certificated	FTE Uncertificated
Mild & Moderate Disabilities/Gifted & Talented (ECS - Gr 12	29.9	6.0
ECS Program Unit (PUF)	2.1	13.3
Severe Disabilities (Gr 1-12)	28.2	41.4

Note 1 Excludes Learning Resources.

Note 2 Includes Net School Generated Funds, Amortization, Interest, and Losses on Disposal of Instruction Program Capital Assets.

School Jurisdiction Code: 1280

SCHEDULE D to the AFS
CALCULATION OF MAXIMUM ELIGIBLE EXPENSE LIMIT FOR BOARD (GOVERNANCE) AND SYSTEM ADMINISTRATION - 2004-2005

TOTAL EXPENSES		$51,640,298

STEP 1

Calculation of maximum expense limit PERCENTAGE for Board and System Administration expenses

If "Total Net Enrolled Students" are 6,000 and over	= 4%		5.71%
If "Total Net Enrolled Students" are 2,000 and less	= 6%		

The Maximum Expense Limit for Board and System Administration is based on an arithmetical proration for the TOTAL FTE count for grades 1 -12, net of Home Education AND Adult students, between 2,000 to 6,000 at .0005 per FTE

EXAMPLE: 4,500 FTE count grades 1-12 = 6,000 - 4,500 = 1,500 X .0005 = .75% plus 4% = maximum expense limit of 4.75%

Note: Calculation unnecessary if Total FTE is 6,000 or more, and 2,000 & less

STEP 2

Calculate maximum expense limit AMOUNTS for Board and System Administration expenses

Maximum Expense Limit percentage (Step 1) x TOTAL EXPENSES		$2,948,661

Considerations for Charter Schools and Small School Boards:

If **Charter School**, enter $56,100	$0	$0
If **School Board**, please enter your 04-05 Gr 1- 12 funded enrolment	0	
	$0	$0
MAXIMUM EXPENSE LIMIT		**$2,948,661**

STEP 3

Compare maximum expense limit amounts calculated in Step 2 to actual expenses (from Schedule A)

Actual Board Governance & System Administration expenses	$2,569,724
PLUS: transfers to Restricted - Operating (Board/System Administration)	$0
LESS: transfers from Restricted - Operating (Board/System Administration)	$0
TOTAL BOARD GOVERNANCE & SYSTEM ADMINISTRATION EXPENSES	$2,569,724
MAXIMUM EXPENSE LIMIT	$2,948,661
ACTUAL EXPENSES - OVER(UNDER) MAXIMUM EXPENSE LIMIT	-$378,937

School Jurisdiction Code: 1280

SCHEDULE E to the AFS
SOURCE & APPLICATION OF SCHOOL GENERATED FUNDS (SGF) - 2004-2005

Unexpended SGF - Opening Balance August 31, 2004 (Note 1)				$277,622
Source of Net School Generated Funds:	**Gross SGF**	**Related Expenses**	**Net SGF**	
Fundraising activities	$297,630	$223,229	$74,401	
Student fees (Non-Instructional) (Note 2)	$0		$0	
Donations and grants to schools	$273,437		$273,437	
Other (describe)	$0	$0	$0	
Net Additions to SGF	$571,067	$223,229		$347,838
Net SGF Available for Discretionary Spending				$625,460
Application of Net School Generated Funds:				
Extra-curricular activities			$218,565	
School beautification			$0	
Field Trips			$93,822	
Equipment			$110	
Family literacy and other community resources			$0	
Other (describe)			$0	
Net SGF Expended for Discretionary Purposes (Note 3)				$312,497
Unexpended SGF - Closing Balance August 31, 2005 (Note 4)				$312,963

School Generated Funds (SGF) are funds raised in the community for student activities that come under the control and responsibility of school management. These funds are usually collected and retained at the school for expenditures paid at the school level. SGF does not include fees with respect to instructional supplies or materials collected pursuant to Section 60(2)(j) of the *School Act*, and any other funds collected at the school but remitted to central office and accounted for by the jurisdiction (facility rentals, capital assets purchases, etc.)

Note 1 Input "(Restated)" beside Balance at August 31, 2004 where not taken from the finalized 2003-2004 Audited Financial Statements

Note 2 Excludes fees collected pursuant to Section 60(2)(j) of the School Act (fees with respect to instructional supplies or materials - essentially textbooks, resource materials in lieu of textbooks, media, software, and materials for classrooms) Amounts collected for CEU-related activities are recorded as instruction resource fees, not SGF

Note 3 Net SGF Expended for Discretionary Purposes is recorded as revenue and expense in the Statement of Revenues & Expenses

Note 4 Unexpended SGF is carried forward to the Statement of Financial Position

School Jurisdiction Code: 1280

SCHEDULE F to the AFS
Operations and Maintenance Program Expenses - 2004-2005

EXPENSES	Custodial	Maintenance	Utilities and Telecommunications	Expensed Mod./I.M.P. & Portable Relocations	Facility Planning & Operations Administration	SUB-TOTAL Operations & Maintenance	Supported Capital & Debt Services	TOTAL Operations and Maintenance
Uncertificated salaries and wages	$1,186,259	$391,712	$0	$5,554	$329,221	$1,912,746		$1,912,746
Uncertificated benefits	$275,726	$139,857	$0	$467	$6,174	$422,224		$422,224
Sub-total Remuneration	$1,461,985	$531,569	$0	$6,021	$335,395	$2,334,970		$2,334,970
Contracted Services	$9,706	$849,578	$158,743	$709,436	$44,935	$1,772,398		$1,772,398
Supplies	$154,684	$70,446	$0	$0	$27,828	$252,958		$252,958
Electricity			$623,363			$623,363		$623,363
Natural Gas/Heating Fuel			$625,123			$625,123		$625,123
Sewer and Water			$58,700			$58,700		$58,700
Telecommunications			$24,310			$24,310		$24,310
Insurance					$72,440	$72,440		$72,440
Amortization of capital assets								
Supported							$2,206,677	$2,206,677
Unsupported						$77,625		$77,625
Total Amortization						$77,625	$2,206,677	$2,284,302
Interest on capital debt								
Supported							$1,115,906	$1,115,906
Unsupported				$0		$0		$0
Other interest charges						$0		$0
Losses on disposal of capital assets						$0		$0
Cost recoveries & transfers						($223,253)		($223,253)
TOTAL EXPENSES	$1,626,375	$1,451,593	$1,490,239	$715,457	$480,598	$5,618,634	$3,322,583	$8,941,217
SQUARE METRES								
School Buildings								45,584.5
Non School Buildings								1,921.3
UNCERTIFICATED FTE'S (Board/Contract)	38.2	14.0						

Notes:

Custodial:	All expenses related to activities undertaken to keep the school environment clean and safe.
Maintenance:	All expenses associated with the repair, replacement and minor construction of buildings, grounds and equipment components. This includes regular and preventative maintenance undertaken to ensure components reach or exceed their life cycle and the repair of broken components.
Utilities & Telecommunications:	All expenses related to electricity, natural gas and other heating fuels, sewer and water and all forms of telecommunications.
Expensed Block Mod/I.M.P. & Portable Relocations:	All expenses associated with non-capital activites related to Block Modernization, Infrastructure Maintenance Programs (AKA Building Quality Restoration Program) and portable relocations.
Facility Planning & Operations Administration:	All expenses related to the administration of operations and maintenance including (but not limited to) contract administration, clerical functions, negotiations, supervision of employees and contractors, administration of capital projects (including new schools, I.M.P., block modernization and portable relocations), administration of joint-use agreements, and all expenses related to ensuring compliance with health and safety statndards, codes and government regulations.
Supported Capital & Debt Services:	All expenses related to supported capital assets amortization and interest on supported capital debt.

School Jurisdiction Code: 1280

SCHEDULE G to the AFS
DISCLOSURE OF SALARIES AND BENEFITS - 2004-2005
(SECTION 148.1 OF THE SCHOOL ACT)

		FTEs	Remuneration	Benefits	Allowances	Performance Bonuses	ERIP's / Other	Total	Expenses
Chairperson:									
Name	Steve Noskey	1.0	$37,805	$307	$0			$38,112	$44,025
Name		0.0	$0	$0	$0			$0	$0
Other Board Members:									
Name	as attached	23.0	$94,737	$2,094	$0			$96,831	$192,996
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Subtotal		*24.0*	*$132,542*	*$2,401*	*$0*			*$134,943*	*$237,021*
Superintendent	Annette Ramrattan	1.0	$129,188	$22,196	$0	$0	$0	$151,384	$26,707
Superintendent		0.0	$0	$0	$0	$0	$0	$0	$0
Secretary/Treasurer	Len Leithead	1.0	$104,480	$18,272	$0	$0	$0	$122,752	$10,624
Secretary/Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Board Secretary		0.0	$0	$0	$0	$0	$0	$0	$0
Board Secretary		0.0	$0	$0	$0	$0	$0	$0	$0
Board Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Board Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Certificated Salaries		259.7	$18,290,664	$4,239,349	$0	$0	$0	$22,530,013	
Uncertificated Salaries & Wages		286.0	$9,673,862	$2,055,934	$0	$0	$0	$11,729,796	
TOTALS			**$28,330,736**	**$6,338,152**	**$0**	**$0**	**$0**	**$34,668,888**	

Note: Please refer to completion information on page 15

School Jurisdiction Code: 8050

AUDITED
FINANCIAL STATEMENTS
and Supporting Schedules
FOR THE YEAR ENDED AUGUST 31, 2005
[School Act, Sections 147(2)(a), 148, 151(1) and 276]

CONSEIL SCOLAIRE DU NORD-OUEST No. 1
Legal Name of School Jurisdiction

C.P. 1220, ST. ISIDORE, ALBERTA T0H 3B0
Mailing Address

780-624-8855 780-624-8554
Telephone and Fax Numbers

SCHOOL JURISDICTION MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The financial statements and supporting schedules CONSEIL SCOLAIRE DU NORD-OUEST No. 1 (Name of School Jurisdiction) presented to Alberta Learning have been prepared by school jurisdiction management which has responsibility for their preparation, integrity and objectivity. The financial statements and schedules, including notes, have been prepared in accordance with generally accepted accounting principles and Ministerial requirements for Alberta school jurisdictions.

In fulfilling its reporting responsibilities, management has maintained internal control systems and procedures designed to provide reasonable assurance that the school jurisdiction's assets are safeguarded, that transactions are executed in accordance with appropriate authorization and that accounting records may be relied upon to properly reflect the school jurisdiction's transactions. The effectiveness of the control systems is supported by the selection and training of qualified personnel, an organizational structure that provides an appropriate division of responsibility and a strong budgetary system of control.

Board of Trustees Responsibility
The ultimate responsibility for the financial statements lies with the Board of Trustees. The Board reviewed the financial statements with management in detail and the Board approved the financial statements for release.

External Auditors
The Board appoints external auditors to audit the financial statements and meets with the auditors to review their findings. The external auditors have full and free access to school jurisdiction records.

Declaration of Management and Board Chairman
To the best of our knowledge and belief, these financial statements and supporting schedules reflect, in all material respects, the financial position and results of operations and cash flows for the year in accordance with generally accepted accounting principles and Ministerial requirements for Alberta school jurisdictions.

BOARD CHAIRMAN	
CHANTAL MONFETTE	"ORIGINAL SIGNED"
Name	Signature

SUPERINTENDENT	
DOLORESE NOLETTE	"ORIGINAL SIGNED"
Name	Signature

SECRETARY TREASURER OR TREASURER	
ANITA BELZILE	"ORIGINAL SIGNED"
Name	Signature

1-Dec-05
Board-approved Release Date

c.c. **ALBERTA EDUCATION, School Reporting Branch,**
8th Floor Commerce Place, 10155-102 Street, Edmonton AB T5J 4L5
EMAIL: Cindy.Jarry@gov.ab.ca
PHONE: (780) 427-7782 FAX: (780) 422-6996

AUDITORS' REPORT

To the Board of Trustees,
REGIONAL AUTHORITY OF THE NORTHWEST
FRANCOPHONE EDUCATION REGION NO. 1

We have audited the statement of financial position of the Regional Authority of THE NORTHWEST FRANCOPHONE EDUCATION REGION NO. 1 as at August 31, 2005 and the statements of revenues and expenses, cash flows, changes in net assets and capital allocations for the year then ended. These financial statements are the responsibility of the school jurisdiction's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance as to whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the school jurisdiction as at August 31, 2005 and the results of its operations, changes in cash flows, net assets and capital allocations for the year then ended in accordance with Canadian generraly accepted accounting principles.

Our audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplementary information included in Schedules A through G is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such supplementary information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

'Original Signed'
SYLVAIN & DORAN

Falher, Alberta
November 7, 2005

CERTIFIED GENERAL ACCOUNTANTS

School Jurisdiction Code: 8050

STATEMENT OF FINANCIAL POSITION

as at August 31, 2005

(in dollars)

			2005	2004 RESTATED
ASSETS				
Current assets				
Cash and temporary investments			$959,452	$326,941
Accounts receivable (net after allowances)			$282,915	$323,621
Prepaid expenses			$74,301	$38,213
Other current assets			$22,343	$16,129
Total current assets			$1,339,011	$704,904
School generated assets			$83,485	$68,169
Trust assets			$0	$0
Long term accounts receivable			$0	$0
Long term investments			$11,966	$11,747
Capital assets				
Land			$75,000	$75,000
Buildings		$5,423,734		
Less: accumulated amortization		($1,226,355)	$4,197,379	$4,362,692
Equipment		$100,433		
Less: accumulated amortization		($78,854)	$21,579	$30,906
Vehicles		$288,951		
Less: accumulated amortization		($247,967)	$40,984	$57,476
Total capital assets			$4,334,942	$4,526,074
TOTAL ASSETS			$5,769,404	$5,310,894
LIABILITIES				
Current liabilities				
Bank indebtedness			$0	$0
Accounts payable and accrued liabilities			$228,065	$69,596
Deferred revenue			$194,848	$93,545
Deferred capital allocations			$0	$0
Current portion of all long term debt			$0	$0
Total current liabilities			$422,913	$163,141
School generated liabilities			$83,485	$68,169
Trust liabilities			$0	$0
Employee future benefits liability			$0	$0
Long term payables and accrued liabilities			$0	$0
Long term debt				
Supported	Debentures and other supported debt		$0	$0
	Less: Current portion of supported debt		$0	$0
Unsupported	Debentures and Capital Loans		$0	$0
	Capital Leases		$0	$0
	Mortgages		$0	$0
	Less: Current portion of unsupported debt		$0	$0
Unamortized capital allocations			$3,924,284	$4,080,899
Total long term liabilities			$4,007,769	$4,149,068
TOTAL LIABILITIES			$4,430,682	$4,312,209
NET ASSETS				
Unrestricted net assets			$242,169	$48,749
Operating Reserves			$333,811	$160,813
Accumulated Operating Surplus (Deficit)			$575,980	$209,562
Investment in capital assets			$410,658	$445,175
Capital Reserves			$352,084	$343,948
Total Capital Funds			$762,742	$789,123
Total net assets			$1,338,722	$998,685
TOTAL LIABILITIES AND NET ASSETS			$5,769,404	$5,310,894

Note: Input "(Restated)" in 2004 column heading where comparatives are not taken from the finalized 2003-2004 Audited Financial Statements.

School Jurisdiction Code: 8050

STATEMENT OF REVENUES AND EXPENSES

for the Year Ended August 31, 2005

(in dollars)

	Actual 2005	Budget 2005 RESTATED	Actual 2004 RESTATED
REVENUES			
Government of Alberta	$4,088,197	$3,857,691	$3,517,469
Federal Government and/or First Nations	$15,338	$12,500	$17,268
Other Alberta school authorities	$0	$0	$0
Out of province authorities	$0	$0	$0
Alberta Municipalities (excluding supplementary requisitions)	$0	$0	$0
Instruction resource fees	$13,394	$14,547	$12,971
Transportation fees	$0	$0	$0
Other sales and services	$15,420	$14,665	$16,182
Investment income	$13,760	$2,500	$6,319
Gifts and donations	$0	$0	$0
Rentals of facilities	$0	$500	$0
Net school generated funds	$27,365	$15,000	$23,609
Gains on disposal of capital assets	$0	$0	$1,250
Amortization of capital allocations	$180,396	$189,262	$180,395
Total Revenues	$4,353,870	$4,106,665	$3,775,463
EXPENSES			
Certificated salaries	$1,720,244	$1,783,997	$1,688,878
Certificated benefits	$200,405	$215,690	$205,495
Uncertificated salaries and wages	$498,850	$524,270	$453,429
Uncertificated benefits	$80,018	$89,218	$66,560
Services, contracts and supplies	$1,270,680	$1,278,082	$1,196,854
Net school generated funds	$27,365	$15,000	$23,609
Capital and debt services			
Amortization of capital assets			
Supported	$180,396	$189,262	$180,395
Unsupported	$34,517	$12,795	$46,010
Total Amortization of capital assets	$214,913	$202,057	$226,405
Interest on capital debt			
Supported	$0	$0	$0
Unsupported	$0	$0	$0
Total interest on capital debt	$0	$0	$0
Other interest charges	$1,358	$0	$1,741
Losses on disposal of capital assets	$0	$0	$0
Total Expenses	$4,013,833	$4,108,314	$3,862,971
SURPLUS (DEFICIT) OF REVENUES OVER EXPENSES BEFORE EXTRAORDINARY ITEM	$340,037	($1,649)	($87,508)
Extraordinary Item	$0	$0	$0
SURPLUS (DEFICIT) OF REVENUES OVER EXPENSES	$340,037	($1,649)	($87,508)

Note: Input "(Restated)" in Budget 2005 and/or Actuals 2004 column headings where comparatives are not taken from the respective finalized 2004-2005 Budget Report and/or finalized 2003-2004 Audited Financial Statements.

School Jurisdiction Code: 8050

STATEMENT OF CASH FLOWS

for the Year Ended August 31, 2005

(in dollars)

	2005	2004 RESTATED
CASH FLOWS FROM:		
A. OPERATIONS		
Surplus (deficit) of revenues over expenses for the year	$340,037	($87,508)
Add (Deduct) items not requiring cash:		
Amortization of capital allocations revenue	($180,396)	($180,395)
Total amortization expense	$214,913	$226,405
Gains on disposal of capital assets	$0	($1,250)
Losses on sale of capital assets	$0	$0
Changes in accrued accounts:		
Accounts receivable	$40,706	$42,892
Prepaids and other current assets	($42,302)	$13,132
Long term accounts receivable	$0	$0
Long term investments	($219)	$26
Payables and accrued liabilities	$158,469	($71,812)
Deferred revenue	$101,303	$16,347
Employee future benefit expense (recovery)	$0	$0
Other (describe)	$0	$0
Total sources (uses) of cash from Operations	$632,511	($42,163)
B. INVESTING ACTIVITIES		
Purchases of capital assets		
Land	$0	$0
Buildings	($23,781)	($1,534)
Equipment	$0	$0
Vehicles	$0	$0
Net proceeds from disposal of capital assets	$0	$1,250
Other (describe)	$0	$0
Total sources (uses) of cash from Investing activities	($23,781)	($284)
C. FINANCING ACTIVITIES		
Capital allocations	$23,781	$0
Issue of long term debt	$0	$0
Repayment of long term debt	$0	$0
Add back: supported portion	$0	$0
Other (describe)	$0	$0
Total sources (uses) of cash from Financing activities	$23,781	$0
Net sources (uses) of cash during year	$632,511	($42,447)
Cash and temporary investments, net of bank indebtedness, at Aug. 31/04	$326,941	$369,388
Cash and temporary investments, net of bank indebtedness, at Aug. 31/05	$959,452	$326,941

Note: 1 Input "(Restated)" in 2004 column heading where not taken from the finalized 2003-2004 Audited Financial Statements

2 Cash and temporary investments are net of cash obligations.

STATEMENT OF CHANGES IN NET ASSETS
for the Year Ended August 31, 2005

(in dollars)

School Jurisdiction 8050

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
	TOTAL NET ASSETS Cols 2+3+4	INVESTMENT IN CAPITAL ASSETS	UNRESTRICTED NET ASSETS	TOTAL INTERNALLY RESTRICTED NET ASSETS Cols 5 to 14	INTERNALLY RESTRICTED NET ASSETS									
					School Based		Infrastructure		Board & System Admin.		Transportation		External Services	
					Operating Reserves	Capital Reserves	O& M Operating Reserves	Capital Reserves	Operating Reserves	Capital Reserves	Operating Reserves	Capital Reserves	Operating Reserves	Capital Reserves
Balance at August 31, 2004	$977,341	$445,175	$27,405	$504,761	$142,002	$125,904	$0	$0	$0	$0	$0	$218,044	$18,811	$0
Prior period adjustments (describe)														
A/R understated - francisation	$21,344	$0	$21,344	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Adjusted Balance,Aug.31, 2004	$998,685	$445,175	$48,749	$504,761	$142,002	$125,904	$0	$0	$0	$0	$0	$218,044	$18,811	$0
Surplus(def) of revenue over expense	$340,037		$340,037											
Board funded capital transactions		$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Direct credits to net assets	$0	$0												
Amortization of capital assets		($214,913)	$214,913											
Amortization of capital allocations		$180,396	($180,396)											
Disposal of unsupported capital asset	$0	$0	$0	$0		$0		$0		$0		$0		$0
Disposal of supported capital assets (board funded portion)	$0	$0	$0	$0		$0		$0		$0		$0		$0
Debt principal payments (unsupported)		$0	$0											
Net transfers to operating reserves			$0	$0	$0		$0		$0		$0		$0	
Net transfers from operating reserves			($172,998)	$172,998	$172,998		$0		$0		$0		$0	
Net transfers to capital reserves			($8,136)	$8,136		$8,136		$0		$0		$0		$0
Net transfers from capital reserves			$0	$0		$0		$0		$0		$0		$0
Balance at August 31, 2005	$1,338,722	$410,658	$242,169	$685,895	$315,000	$134,040	$0	$0	$0	$0	$0	$218,044	$18,811	$0

School Jurisdiction Code: 8050

STATEMENT OF CAPITAL ALLOCATIONS
(SUPPORTED CAPITAL FINANCING ONLY)
for the Year Ended August 31, 2005
(in dollars)

	Deferred Capital Allocations	Unamortized Capital Allocations
Balance at August 31, 20	$0	$4,080,899
Prior period adjustment	$0	$0
Adjusted balance, August 31, 2004	$0	$4,080,899
Add:		
Capital allocations from: Infrastructure and Transportation-New/Modernization Projects	$23,781	
Other Government of Alberta	$0	
Federal Government and/or First Nations	$0	
Other sources	$0	
Interest earned on provincial government capital allocations	$0	
Other capital grants and donations	$0	
Proceeds on disposal of supported capital assets	$0	
Insurance proceeds	$0	
Donated capital assets (amortizable, at Fair Market Value)		$0
Transferred in capital assets (amortizable, at Net Book Value)		$0
Current Year Debenture Principal Repayment		$0
Expended capital allocations - current year	($23,781)	$23,781
Less:		
Unamortized Capital Allocation affected by a disposal through transfer out		$0
Capital allocations amortized to revenue		$180,396
Balance at August 31, 2005	$0	$3,924,284

1. AUTHORITY AND PURPOSE

The School Jurisdiction delivers education programs under the authority of the *School Act*, Revised Statutes of Alberta 2000, Chapter S-3.

The jurisdiction receives instruction and support allocations under Regulation 77/2003. The regulation allows for the setting of conditions and use of grant monies. The School Jurisdiction is limited on certain funding allocations and administration expenses.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

These financial statements have been prepared in accordance with Canadian generally accepted accounting principles (GAAP). The precise determination of many assets and liabilities is dependent on future events. As a result, the preparation of financial statements for a period involves the use of estimates and approximations, which have been made using careful judgment. Actual results could differ from those estimates and approximations. The financial statements have, in management's opinion, been properly prepared within reasonable limits of materiality and within the framework of the accounting policies summarized below:

a) Revenue Recognition

Revenue is recognized as follows:

Instruction and support allocations are recognized in the year to which they relate.

Fees for services related to courses and programs are recognized as revenue when such courses and programs are delivered.

Unrestricted contributions are recognized as revenue when received and receivable. Contributions in-kind are recorded at fair market value when reasonably determinable.

Externally restricted contributions are deferred and recognized as revenue in the period in which the restriction is complied with. Endowment funds are recognized as direct increases in net assets in the period which they are received or receivable.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - con't

b) Capital Assets

Capital assets are recorded at cost, and are amortized over their estimated useful lives on a straight-line basis, at the following rates:

Buildings - masonry and cement	2.5%
- wood frame or renovations	4.0%
Building site improvements	5.0%
Vehicles & buses	10.0%
Equipment	20.0%

Only capital assets with costs in excess of $5,000 are capitalized. Capital allocations received for asset additions are amortized into revenue over the same period as the amortization expense.

c) School Generated Funds

These are funds in the community, which come under the control and responsibility of the school principal and are for school activities. They are usually collected, retained and expended at the school level (e.g. yearbook sales, graduation fees, field trip fees, etc.)

d) Vacation Pay

Vacation pay is accrued in the period in which the employee earns the benefit.

e) Pensions

The current service and past service costs of the Alberta Teacher Retirement Fund are met by contributions by active members and the Government of Alberta. Under the terms of the Teachers Pension Plan Act, the Regional Authority of the Northwest Francophone Education Region No. 1 does not make pension contributions for certificated staff.

f) Inventories

Inventories are recorded at the lesser of cost or net realizable value.

g) Prepaid Expenses

Certain expenditures incurred and paid before the close of the school year are specific school supplies, which will be consumed subsequent to the year-end, and are accordingly recorded as prepaid expenses. Certain insurance expenses fall into this category.

h) Contributed Services

Volunteers contribute a considerable number of hours per year to schools, to ensure that certain programs are delivered, such as kindergarten, lunch services and the raising of school generated funds. Because of the difficulty of compiling these hours and the fact that these services are not otherwise purchased, contributed services are not recognized in the financial statements.

i) Financial Instruments

The jurisdiction's financial instruments consist of cash, accounts receivable, accounts payable, accrued liabilities, and long-term debt. It is management's opinion that the jurisdiction is not exposed to significant interest, currency or credit risks arising from these financial instruments. Unless otherwise noted, the fair values of these financial instruments approximate their carrying values. The jurisdiction has invested surplus funds in accordance with Section 60 of the School Act and Section 5 of the Trustees Act.

j) Operating and Capital Reserves

Reserves are established and the discretion of the Board of Trustees of the jurisdiction or externally, to set aside funds for operating and for future capital expenditures. Such reserves are appropriations of unrestricted net assets.

k) Investments

Short-term investments are recorded at the lower of cost and market value. Long term investments are valued at cost or, where there has been other than a temporary impairment in the value of the investment, at market value.

3. ACCOUNTS RECEIVABLE

	2005	2004
	$	$ Restated
Province of Alberta	144,157	188,189
Province of Alberta - federal language program	92,088	31,787
Federal Government	30,226	82,676
Alberta Municipalities	-	-
Other Alberta School Jurisdictions	-	-
Other	16,444	20,969
	282,915	323,621

4. CAPITAL ASSETS AND ACCUMULATED AMORTIZATION

	2004			2005
	$	$	$	$
CAPITAL ASSETS	Cost	Additions	Disposals	**Cost**
Land	75,000	-	-	**75,000**
Buildings	5,399,953	23,781	-	**5,423,734**
Equipment	100,433	-	-	**100,433**
Vehicles	339,907	-	50,957	**288,950**
	5,915,293	23,781	50,957	**5,888,117**
ACCUMULATED AMORTIZATION	Balance	Additions	Deductions	**Balance**
Buildings	1,037,261	189,094	-	**1,226,355**
Equipment	69,527	9,327	-	**78,854**
Vehicles	282,431	16,492	50,957	**247,966**
	1,389,219	214,913	50,957	**1,553,175**
Net book value	4,526,074			**4,334,942**

5. BANK INDEBTEDNESS

The jurisdiction has negotiated an overdraft protection agreement in the amount of $140,000 that bears interest at the bank prime rate + 1.0%. This overdraft agreement is secured by funds held in savings account. There was no balance outstanding on the overdraft agreement at August 31, 2005.

6. ACCOUNTS PAYABLE AND LIABILITIES

	2005	2004
	$	$
Province of Alberta	15,508	14,215
Federal Government	-	-
Alberta Municipalities	-	-
Other Alberta School Jurisdictions	-	-
Other Trade Payables and Accrued Liabilities	212,557	55,381
	228,065	69,596

7. DEFFERED REVENUE

	2005	2004
	$	$
Unspent portion 2003 - 2004 O&M funding	72,416	75,000
Video-conferencing grant	60,000	-
Class size initiative grant	30,510	-
Infrastructure Maintenance Program	25,791	12,793
Block BQRP funding	-	5,752
Other	6,131	-
	194,848	93,545

8. OTHER REVENUE FROM ALBERTA EDUCATION

	2005	2004
	$	$
Operations & maintenance - base support Apr-Aug/05	131,708	-
Microsoft license	378	-
Classroom resources - one time funding	869	9,293
2003-2004 One time identified shortfalls payment	-	16,171
	132,955	25,464

9. DEFERRED CAPITAL ALLOCATIONS

Deferred capital allocations represent externally-restricted capital funds provided for a specific capital purpose received or receivable by the jurisdiction, but the related expenditure had not been made at year-end. When expended, these deferred capital allocations are transferred to unamortized capital allocations.

REGIONAL AUTHORITY OF THE NORTHWEST FRANCOPHONE EDUCATION REGION NO. 1

AUDITORS' NOTES TO THE FINANCIAL STATEMENTS

For the year ended August 31, 2005

10. UNAMORTIZED CAPITAL ALLOCATIONS

Unamortized capital allocations represent externally-restricted supported capital funds that have been expended, but have yet to be amortized over the useful life of the related capital asset. The unamortized capital allocations account balance is increased by transfers of deferred capital allocations expended, as well as fully-supported debenture principal repayments.

11. INTERNALLY RESTRICTED NET ASSETS

Net assets may be restricted by authorization of the Board of Trustees for future capital expenditures and future operating expenditures. The amounts are established and expended in accordance with terms and conditions established by the board.

	2004 Balance	Appropriated	Utilized	**2005 Balance**
	$	$	$	**$**
Operating				
School - instruction	142,002	172,998	-	**315,000**
School - operation and				-
maintenance	-	-	-	-
System administration	-	-	-	-
Transportation	-	-	-	-
External services	18,811	-	-	**18,811**
	160,813	172,998	-	**333,811**
Capital				
Land	-	-	-	-
Buildings	-	-	-	-
Equipment	125,904	8,136	-	**134,040**
Vehicles	218,044	-	-	**218,044**
	343,948	8,136	-	**352,084**
	504,761	181,134	-	**685,895**

12. COMMITMENTS

a) An operating lease agreement for a Canon photocopier was signed in December 2003. The quarterly lease payments of $407.07 plus G.S.T. total $6,097.84 over a forty-two month period (last payment due May 1, 2007).

b) An operating lease agreement for office space was signed in August 2002. The annual lease payments of $16,000 total $48,000 over a three year period (lease in effect to August 31, 2005).

13. ECONOMIC DEPENDENCE ON RELATED THIRD PARTY

The Regional Authority of the Northwest Francophone Education Region No. 1 primary source of income is from the Alberta Government. The Regional Authority's ability to continue viable operations is dependent on this funding.

14. BUDGET AMOUNTS

The budget was prepared by the school jurisdiction management with Board of Trustees approval of the revised version on August 18, 2004. It is presented for information purposes only and has not been audited.

15. COMPARATIVE FIGURES

The comparative figures have been reclassified where necessary to conform to actual 2005 presentation. Federal french language funding for 2004/05 is shown as provincial revenue because it is received via Alberta Education and is included with provincial funding under schedule B. The 2003/04 provincial revenues have been restated to show an increase of $100,932. The federal revenues (2004 $118,200) have been also restated to $17,268, showing an offsetting decrease of $100,932.

16. PRIOR PERIOD ADJUSTMENTS

Accounts receivable (2004 $302,277) has been restated to $323,261 to reflect an increase Of $21,344 in provincial francisation funding for 2003/04. Therefore the deficit of revenues over expenses (2004 $108,852) has been restated to $87,508.

SCHEDULE A to the AFS

School Jurisdiction Cod 8050

ALLOCATION OF REVENUES AND EXPENSES TO PROGRAMS - 2004-2005

	REVENUES	TOTAL	ECS to Grade 12 Instruction	Operations and Maintenance of Schools & Maintenance Shops	Transportation	Board & System Admin.	External Services
(1)	**Alberta Education Revenues**	$3,805,970	$2,730,354	$131,708	$535,908	$408,000	$0
	Alberta Infrastructure and Transportation						
(2)	Infrastructure Maintenance Program & Portable Relocations support	$39,674	$0	$39,674			
(3)	Regular Operations & Maintenance support	$184,391		$184,391			
(4)	Other support	$57,262	$0	$57,262			
(5)	**Total Alberta Infrastructure and Transportation Revenues**	$281,327	$0	$281,327			
(6)	**Alberta Finance**	$0		$0			$0
(7)	**Other - Government of Alberta**	$900	$0	$900	$0	$0	$0
(8)	**Federal Government and/or First Nations**	$15,338	$14,435	$903	$0	$0	$0
(9)	**Other Alberta school authorities**	$0		$0	$0	$0	$0
(10)	**Out of province authorities**	$0	$0	$0	$0	$0	$0
(11)	**Alberta municipalities** (excl. supplementary requisitions)	$0	$0	$0	$0	$0	$0
(12)	**Instruction resource fees**	$13,394	$13,394				
(13)	**Transportation fees**	$0			$0		
(14)	**Other sales and services**	$15,420	$225	$533	$14,662	$0	$0
(15)	**Investment income**	$13,760	$13,760	$0	$0	$0	$0
(16)	**Gifts and donations**	$0	$0	$0			$0
(17)	**Rentals of facilities**	$0	$0	$0	$0	$0	$0
(18)	**Net school generated funds**	$27,365	$27,365			$0	
(19)	**Gains on disposal of capital assets**	$0	$0	$0	$0	$0	$0
(20)	**Amortization of capital allocations**	$180,396	$0	$177,449	$2,947		$0
(21)	**TOTAL REVENUES**	$4,353,870	$2,799,533	$592,820	$553,517	$408,000	$0
	EXPENSES						
(22)	**Certificated salaries**	$1,720,244	$1,616,798			$103,446	$0
(23)	**Certificated benefits**	$200,405	$190,550			$9,855	$0
(24)	**Uncertificated salaries and wages**	$498,850	$352,103	$27,936	$16,795	$102,016	$0
(25)	**Uncertificated benefits**	$80,018	$56,454	$4,228	$2,894	$16,442	$0
(26)	**SUB - TOTAL**	$2,499,517	$2,215,905	$32,164	$19,689	$231,759	$0
(27)	**Services, contracts & supplies**	$1,270,680	$373,938	$371,562	$400,307	$124,873	$0
(28)	**Cost recoveries & charges to programs**	$0	$0	$0	$0	$0	$0
(29)	**Net school generated funds**	$27,365	$27,365				
	Capital and debt services						
	Amortization of capital assets						
(30)	Supported	$180,396	$0	$177,449	$2,947	$0	$0
(31)	Unsupported	$34,517	$9,327	$11,645	$13,545	$0	$0
(32)	Total Amortization	$214,913	$9,327	$189,094	$16,492	$0	$0
	Interest on capital debt						
(33)	Supported	$0	$0	$0	$0	$0	$0
(34)	Unsupported	$0	$0	$0	$0	$0	$0
(35)	Other interest charges	$1,358	$0	$0	$0	$1,358	$0
(36)	Losses on disposal of capital assets	$0	$0	$0	$0	$0	$0
(37)	**TOTAL EXPENSES**	$4,013,833	$2,626,535	$592,820	$436,488	$357,990	$0
(38)	**SURPLUS (DEFICIT) BEFORE EXTRAORDINARY ITEM**	$340,037	$172,998	$0	$117,029	$50,010	$0

School Jurisdiction Code: 8050

SCHEDULE B to the AFS

ALBERTA EDUCATION REVENUES 2004-2005

	TOTAL
Base Funding	
Early Childhood Services (ECS)	$94,316
Base Instruction (Gr 1-12)	$1,323,235
Outreach Programs	$0
Home Education	$2,482
Differential Cost Funding *	$1,987,354
Other Provincial Support	
Institutional Programs	$0
Regional Consortium (6 boards) and Regional Educational Consulting Services (4 boards)	$0
Learning Resources Credit	$2,177
Federal French Funding	$221,049
Provincial Priority Targeted Funding	
Class Size Initiative	$6,206
Student Health Initiative (SHI)	$0
Alberta Initiative for School Improvement (AISI)	$34,686
High Speed Networking	$1,510
Children and Youth with Complex Needs	$0
Other Alberta Education Revenues (describe) O&M base support 5/12, Microsoft license, texts(social studies program)	$132,955
Total Alberta Education Revenues	$3,805,970

* Differential Cost Funding is based on distribution formulas designed to address variable cost factors and incremental costs associated with other variables and specific student populations. Included in differential cost funding are allocations for students with severe disabilities, English as a second language students, Francisation and support services for immigrant students, aboriginal students, gifted & talented early childhood services children and those with mild or moderate or severe disabilities, the percentage of the student population experiencing low socio-economic status, small schools by necessity, intra-jurisdiction distances, year to year enrolment fluctuations, small school board administration, schools located in the north, boarding, transportation, stabilization of funding, and cost differences among school jurisdictions for purchasing goods and services.

School Jurisdiction Code: 8050

SCHEDULE C the AFS

ECS to Grade 12 INSTRUCTION PROGRAMS Expense Details - 2004-2005

SUB-PROGRAMS & INITIATIVES	ECS to GRADE 12 Instruction						
	Certificated Remuneration	Uncertificated Remuneration	Services, Contracts & Supplies [1]	Learning Resources	Cost Recoveries & Transfers	Other Expenses [2]	TOTAL EXPENSES
School Administration & All Instruction Support	$179,000	$72,976	$161,799		$0	$0	$413,775
Mild & Moderate Disabilities/Gifted & Talented (ECS-12)	$114,361	$0	$11,166		$0		$125,527
ECS Program Unit (PUF)	$0	$4,602	$4,177		$0		$8,779
Severe Disabilities (Gr 1-12)	$55,628	$44,588	$15,409		$0		$115,625
English as a Second Language	$34,824	$0	$0		$0		$34,824
French Language Program & Francisation (all jurisdictions)	$276,614	$44,390	$4,485		$0		$325,489
First Nations, Metis and Inuit Education (ECS - Gr 12)	$0	$0	$0		$0		$0
Home Education	$0	$0	$728		$0		$728
Institutional Programs	$0	$0	$0		$0		$0
Alberta Initiative for School Improvement	$9,962	$0	$24,954	$0	$0		$34,916
Student Health Initiative	$0	$0	$0		$0		$0
High Speed Networking			$1,511		$0		$1,511
Class Size	$6,206	$0	$0	$0	$0		$6,206
Children and Youth with Complex Needs (ECS - Gr 12)	$0	$0	$0		$0		$0
All Other Student Instruction Expenses (ECS - Gr 12)	$1,130,753	$242,001	$88,971	$60,738	$0	$36,692	$1,559,155
TOTAL EXPENSES	$1,807,348	$408,557	$313,200	$60,738	$0	$36,692	$2,626,535

FULL-TIME-EQUIVALENCIES (Board/Contract)	FTE Certificated	FTE Uncertificated
Mild & Moderate Disabilities/Gifted & Talented (ECS - Gr 12	1.7	0.0
ECS Program Unit (PUF)	0.0	0.2
Severe Disabilities (Gr 1-12)	0.7	1.4

Note 1 Excludes Learning Resources

Note 2 Includes Net School Generated Funds, Amortization, Interest, and Losses on Disposal of Instruction Program Capital Assets

School Jurisdiction Code: 8050

SCHEDULE D to the AFS
CALCULATION OF MAXIMUM ELIGIBLE EXPENSE LIMIT FOR BOARD (GOVERNANCE) AND SYSTEM ADMINISTRATION - 2004-2005

TOTAL EXPENSES	$4,013,833

STEP 1

Calculation of maximum expense limit PERCENTAGE for Board and System Administration expenses

If "Total Net Enrolled Students" are 6,000 and over	= 4%	**6.00%**
If "Total Net Enrolled Students" are 2,000 and less	= 6%	

The Maximum Expense Limit for Board and System Administration is based on an arithmetical proration for the TOTAL FTE count for grades 1 -12, net of Home Education AND Adult students, between 2,000 to 6,000 at .0005 per FTE.

EXAMPLE: 4,500 FTE count grades 1-12 = 6,000 - 4,500 = 1,500 X .0005 = .75% plus 4% = maximum expense limit of 4.75%.

Note: Calculation unnecessary if Total FTE is 6,000 or more, and 2,000 & less.

STEP 2

Calculate maximum expense limit AMOUNTS for Board and System Administration expenses

Maximum Expense Limit percentage (Step 1) x TOTAL EXPENSES		$240,830
Considerations for Charter Schools and Small School Boards:		
If **Charter School**, enter $56,100	$0	$0
If **School Board**, please enter your 04-05 Gr 1- 12 funded enrolment	303	
	$408,000	$408,000
MAXIMUM EXPENSE LIMIT		**$408,000**

STEP 3

Compare maximum expense limit amounts calculated in Step 2 to actual expenses (from Schedule A)

Actual Board Governance & System Administration expenses	$357,990
PLUS: transfers to Restricted - Operating (Board/System Administration)	$0
LESS: transfers from Restricted - Operating (Board/System Administration)	$0
TOTAL BOARD GOVERNANCE & SYSTEM ADMINISTRATION EXPENSES	$357,990
MAXIMUM EXPENSE LIMIT	$408,000
ACTUAL EXPENSES - OVER(UNDER) MAXIMUM EXPENSE LIMIT	-$50,010

School Jurisdiction Code: 8050

SCHEDULE E to the AFS
SOURCE & APPLICATION OF SCHOOL GENERATED FUNDS (SGF) - 2004-2005

Unexpended SGF - Opening Balance August 31, 2004 (Note 1)				$68,169
Source of Net School Generated Funds:	**Gross SGF**	**Related Expenses**	**Net SGF**	
Fundraising activities	$138,417	$100,061	$38,356	
Student fees (Non-Instructional) (Note 2)	$3,830		$3,830	
Donations and grants to schools	$495		$495	
Other (describe):	$0	$0	$0	
Net Additions to SGF	$142,742	$100,061		$42,681
Net SGF Available for Discretionary Spending				$110,850
Application of Net School Generated Funds:				
Extra-curricular activities			$16,831	
School beautification			$0	
Field Trips			$0	
Equipment			$0	
Family literacy and other community resources			$0	
Other (describe): school instruction expenses			$10,534	
Net SGF Expended for Discretionary Purposes (Note 3)				$27,365
Unexpended SGF - Closing Balance August 31, 2005 (Note 4)				$83,485

School Generated Funds (SGF) are funds raised in the community for student activities that come under the control and responsibility of school management. These funds are usually collected and retained at the school for expenditures paid at the school level. SGF does not include fees with respect to instructional supplies or materials collected pursuant to Section 60(2)(j) of the *School Act*, and any other funds collected at the school but remitted to central office and accounted for by the jurisdiction (facility rentals, capital assets purchases, etc.)

Note 1 Input "(Restated)" beside Balance at August 31, 2004 where not taken from the finalized 2003-2004 Audited Financial Statements

Note 2 Excludes fees collected pursuant to Section 60(2)(j) of the School Act (fees with respect to instructional supplies or materials - essentially textbooks, resource materials in lieu of textbooks, media, software, and materials for classrooms). Amounts collected for CEU-related activities are recorded as instruction resource fees, not SGF.

Note 3 Net SGF Expended for Discretionary Purposes is recorded as revenue and expense in the Statement of Revenues & Expenses

Note 4 Unexpended SGF is carried forward to the Statement of Financial Position.

School Jurisdiction Code: 8050

SCHEDULE F to the AFS
Operations and Maintenance Program Expenses - 2004-2005

EXPENSES	Custodial	Maintenance	Utilities and Telecommunications	Expensed Mod./I.M.P. & Portable Relocations	Facility Planning & Operations Administration	SUB-TOTAL Operations & Maintenance	Supported Capital & Debt Services	TOTAL Operations and Maintenance
Uncertificated salaries and wages	$0	$8,119	$0	$1,966	$17,851	$27,936		$27,936
Uncertificated benefits	$0	$625	$0	$290	$3,313	$4,228		$4,228
Sub-total Remuneration	$0	$8,744	$0	$2,256	$21,164	$32,164		$32,164
Contracted Services	$99,060	$66,174	$0	$69,865	$15,716	$250,815		$250,815
Supplies	$9,164	$0	$0	$7,414	$0	$16,578		$16,578
Electricity			$54,291			$54,291		$54,291
Natural Gas/Heating Fuel			$38,023			$38,023		$38,023
Sewer and Water			$7,121			$7,121		$7,121
Telecommunications			$0			$0		$0
Insurance					$4,734	$4,734		$4,734
Amortization of capital assets								
Supported							$177,449	$177,449
Unsupported						$11,645		$11,645
Total Amortization						$11,645	$177,449	$189,094
Interest on capital debt								
Supported							$0	$0
Unsupported				$0		$0		$0
Other interest charges						$0		$0
Losses on disposal of capital assets						$0		$0
Cost recoveries & transfers						$0		$0
TOTAL EXPENSES	$108,224	$74,918	$99,435	$79,535	$41,614	$415,371	$177,449	$592,820
SQUARE METRES								
School Buildings								6,043.5
Non School Buildings								495.0
UNCERTIFICATED FTE'S (Board/Contract)	2.1	0.7						

Notes:

Custodial:	All expenses related to activities undertaken to keep the school environment clean and safe
Maintenance:	All expenses associated with the repair, replacement and minor construction of buildings, grounds and equipment components. This includes regular and preventative maintenance undertaken to ensure components reach or exceed their life cycle and the repair of broken components
Utilities & Telecommunications:	All expenses related to electricity, natural gas and other heating fuels, sewer and water and all forms of telecommunications
Expensed Block Mod/I.M.P. & Portable Relocations:	All expenses associated with non-capital activites related to Block Modernization, Infrastructure Maintenance Programs (AKA Building Quality Restoration Program) and portable relocations
Facility Planning & Operations Administration:	All expenses related to the administration of operations and maintenance including (but not limited to) contract administration, clerical functions, negotiations, supervision of employees and contractors, administration of capital projects (including new schools, I.M.P., block modernization and portable relocations), administration of joint-use agreements, and all expenses related to ensuring compliance with health and safety statndards, codes and government regulations
Supported Capital & Debt Services:	All expenses related to supported capital assets amortization and interest on supported capital debt

School Jurisdiction Code: 8050

SCHEDULE G to the AFS
DISCLOSURE OF SALARIES AND BENEFITS - 2004-2005
(SECTION 148.1 OF THE SCHOOL ACT)

		FTEs	Remuneration	Benefits	Allowances	Performance Bonuses	ERIP's / Other	Total	Expenses
Chairperson:									
Name	CHANTAL MONFETTE	1.0	$6,310	$28	$0			$6,338	$2,669
Name		0.0	$0	$0	$0			$0	$0
Other Board Members:									
Name	CLAIRE ANCTIL	1.0	$5,060	$2,126	$0			$7,186	$4,448
Name	WANDA LAURIN	1.0	$2,310	$28	$0			$2,338	$327
Name	MARIO PARADIS	1.0	$3,805	$28	$0			$3,833	$3,332
Name	TRUDIE LAVOIE-OLSEN	0.8	$3,640	$28	$0			$3,668	$2,258
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Subtotal		*4.8*	*$21,125*	*$2,238*	*$0*			*$23,363*	*$13,034*
Superintendent	DENISE BOURASSA	0.0	$3,614	$0	$0	$0	$0	$3,614	$0
Superintendent	DOLORESE NOLETTE	1.0	$103,446	$9,855	$0	$0	$0	$113,301	$13,211
Secretary/Treasurer	ANITA BELZILE	0.5	$34,484	$6,654	$0	$0	$0	$41,138	$1,936
Secretary/Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Board Secretary		0.0	$0	$0	$0	$0	$0	$0	$0
Board Secretary		0.0	$0	$0	$0	$0	$0	$0	$0
Board Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Board Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Certificated Salaries		25.3	$1,616,798	$190,550	$0	$0	$0	$1,807,348	
Uncertificated Salaries & Wages		14.3	$443,241	$71,126	$0	$0	$0	$514,367	
TOTALS			**$2,222,708**	**$280,423**	**$0**	**$0**	**$0**	**$2,503,131**	

Note: Please refer to completion information on page 15

Denise Bourassa received $3614 for contractual superintendent services (Sept 1/04 to Dec 31/04) equaling an FTE of .033. This amount of $3614 is shown as contract expenses on Schedule A

School Jurisdiction Code 2255

AUDITED
FINANCIAL STATEMENTS
and Supporting Schedules
FOR THE YEAR ENDED AUGUST 31, 2005
[School Act, Sections 147(2)(a), 148, 151(1) and 276]

Palliser Regional Division No. 26
Legal Name of School Jurisdiction

101, 3305 - 18 Avenue North Lethbridge, Alberta, T1H 5S1
Mailing Address

Telephone: (403) 328-4111 Fax: (403) 380-6890
Telephone and Fax Numbers

SCHOOL JURISDICTION MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The financial statements and supporting schedules Palliser Regional Division No. 26 (Name of School Jurisdiction) presented to Alberta Learning have been prepared by school jurisdiction management which has responsibility for their preparation, integrity and objectivity. The financial statements and schedules, including notes, have been prepared in accordance with generally accepted accounting principles and Ministerial requirements for Alberta school jurisdictions.

In fulfilling its reporting responsibilities, management has maintained internal control systems and procedures designed to provide reasonable assurance that the school jurisdiction's assets are safeguarded, that transactions are executed in accordance with appropriate authorization and that accounting records may be relied upon to properly reflect the school jurisdiction's transactions. The effectiveness of the control systems is supported by the selection and training of qualified personnel, an organizational structure that provides an appropriate division of responsibility and a strong budgetary system of control.

Board of Trustees Responsibility
The ultimate responsibility for the financial statements lies with the Board of Trustees. The Board reviewed the financial statements with management in detail and the Board approved the financial statements for release.

External Auditors
The Board appoints external auditors to audit the financial statements and meets with the auditors to review their findings. The external auditors have full and free access to school jurisdiction records.

Declaration of Management and Board Chairman
To the best of our knowledge and belief, these financial statements and supporting schedules reflect, in all material respects, the financial position and results of operations and cash flows for the year in accordance with generally accepted accounting principles and Ministerial requirements for Alberta school jurisdictions.

BOARD CHAIRMAN	
Mr. Don Zech	"ORIGINAL SIGNED"
Name	Signature

SUPERINTENDENT	
Dr. Garry Andrews	"ORIGINAL SIGNED"
Name	Signature

SECRETARY TREASURER OR TREASURER	
Mr. Laurie Marston	"ORIGINAL SIGNED"
Name	Signature

25-Nov-05
Board-approved Release Date

c.c. ALBERTA EDUCATION, School Reporting Branch,
8th Floor Commerce Place, 10155-102 Street, Edmonton AB T5J 4L5
EMAIL: Cindy.Jarry@gov.ab.ca
PHONE: (780) 427-7782 FAX: (780) 422-6996

BDO
Driving Growth

BDO Dunwoody LLP
Chartered Accountants
and Advisors

200 Southland Terrace
220-3rd Avenue South
Lethbridge Alberta Canada T1J 0G9
Telephone (403) 328-5292
Fax (403) 328-9534
www.bdo.ca

AUDITORS' REPORT

To the Board of Trustees of the
Palliser Regional Division No. 26

We have audited the statement of financial position of the Palliser Regional Division No. 26 as at August 31, 2005 and the statements of revenues and expenses, cash flows, changes in net assets and capital allocations for the year then ended. These financial statements are the responsibility of the school jurisdiction's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and the significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the school jurisdiction as at August 31, 2005 and the results of its operations changes in cash flows, net assets and capital allocations for the year then ended in accordance with Canadian generally accepted accounting principles.

Our audit was conducted for the purposes of forming an opinion on the basic financial statements taken as a whole. The supplementary information included in schedules A through G is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such supplementary information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

BDO Dunwoody LLP

Chartered Accountants

Lethbridge, Alberta
November 4, 2005

BDO Dunwoody LLP *is a Limited Liability Partnership registered in Ontario*

School Jurisdiction Code: 2255

STATEMENT OF FINANCIAL POSITION

as at August 31, 2005

(in dollars)

		2005	2004
ASSETS			
Current assets			
Cash and temporary investments		$2,825,830	$4,152,742
Accounts receivable (net after allowances)		$2,158,944	$904,968
Prepaid expenses		$127,812	$219,325
Other current assets		$83,809	$12,965
Total current assets		$5,196,395	$5,290,000
School generated assets		$717,626	$525,405
Trust assets		$162,425	$168,807
Long term accounts receivable		$0	$0
Long term investments		$0	$0
Capital assets			
Land		$340,000	$340,000
Buildings	$43,195,615		
Less: accumulated amortization	($18,433,191)	$24,762,424	$21,608,255
Equipment	$2,468,981		
Less: accumulated amortization	($1,655,422)	$813,559	$1,273,582
Vehicles	$6,414,489		
Less: accumulated amortization	($3,640,266)	$2,774,222	$2,635,755
Total capital assets		$28,690,205	$25,857,592
TOTAL ASSETS		$34,766,651	$31,841,804
LIABILITIES			
Current liabilities			
Bank indebtedness		$0	$0
Accounts payable and accrued liabilities		$1,117,811	$1,838,014
Deferred revenue		$639,977	$430,659
Deferred capital allocations		$0	$973,375
Current portion of all long term debt		$576,725	$563,769
Total current liabilities		$2,334,514	$3,805,817
School generated liabilities		$717,626	$525,405
Trust liabilities		$162,425	$168,807
Employee future benefits liability		$0	$0
Long term payables and accrued liabilities		$0	$0
Long term debt			
Supported:	Debentures and other supported debt	$4,301,920	$4,730,931
	Less: Current portion of supported debt	($417,989)	($429,012)
Unsupported:	Debentures and Capital Loans	$158,736	$306,191
	Capital Leases	$0	$0
	Mortgages	$0	$0
	Less: Current portion of unsupported debt	($158,736)	($134,757)
Unamortized capital allocations		$18,686,056	$15,380,665
Total long term liabilities		$23,450,037	$20,548,230
TOTAL LIABILITIES		$25,784,551	$24,354,047
NET ASSETS			
Unrestricted net assets		$116,655	$136,197
Operating Reserves		$2,359,805	$993,375
Accumulated Operating Surplus (Deficit)		$2,476,460	$1,129,572
Investment in capital assets		$5,543,503	$5,439,814
Capital Reserves		$962,137	$918,371
Total Capital Funds		$6,505,640	$6,358,185
Total net assets		$8,982,101	$7,487,757
TOTAL LIABILITIES AND NET ASSETS		$34,766,651	$31,841,804

Note: Input "(Restated)" in 2004 column heading where comparatives are not taken from the finalized 2003-2004 Audited Financial Statements.

School Jurisdiction Code: 2255

STATEMENT OF REVENUES AND EXPENSES

for the Year Ended August 31, 2005

(in dollars)

	Actual 2005	Budget 2005	Actual 2004
REVENUES			
Government of Alberta	$32,127,274	$30,346,260	$30,298,002
Federal Government and/or First Nations	$509,995	$421,999	$548,287
Other Alberta school authorities	$11,403	$182,269	$13,418
Out of province authorities	$0	$0	$0
Alberta Municipalities (excluding supplementary requisitions)	$47,917	$9,000	$9,000
Instruction resource fees	$403,946	$268,422	$143,485
Transportation fees	$19,630	$108,200	$37,600
Other sales and services	$68,760	$111,187	$477,645
Investment income	$125,474	$88,600	$125,557
Gifts and donations	$66,653	$0	$22,725
Rentals of facilities	$404,642	$392,558	$390,544
Net school generated funds	$359,041	$200,000	$320,507
Gains on disposal of capital assets	$20,745	$30,000	$47,228
Amortization of capital allocations	$1,134,218	$1,131,981	$1,083,772
Total Revenues	$35,299,697	$33,290,476	$33,517,770
EXPENSES			
Certificated salaries	$15,021,400	$15,146,924	$15,059,353
Certificated benefits	$1,693,599	$1,817,631	$1,682,325
Uncertificated salaries and wages	$7,618,276	$7,014,117	$7,238,589
Uncertificated benefits	$1,472,656	$1,052,118	$1,270,199
Services, contracts and supplies	$5,369,305	$5,475,641	$5,400,242
Net school generated funds	$359,041	$200,000	$320,507
Capital and debt services			
Amortization of capital assets			
Supported	$1,134,218	$1,131,981	$1,083,766
Unsupported	$678,928	$626,444	$690,183
Total Amortization of capital assets	$1,813,146	$1,758,425	$1,773,949
Interest on capital debt			
Supported	$440,764	$462,715	$485,577
Unsupported	$17,167	$34,764	$30,190
Total Interest on capital debt	$457,931	$497,479	$515,767
Other interest charges	$0	$0	$0
Losses on disposal of capital assets	$0	$0	$0
Total Expenses	$33,805,353	$32,962,335	$33,260,931
SURPLUS (DEFICIT) OF REVENUES OVER EXPENSES BEFORE EXTRAORDINARY ITEM	$1,494,343	$328,141	$256,839
Extraordinary Item	$0	$0	$0
SURPLUS (DEFICIT) OF REVENUES OVER EXPENSES	$1,494,343	$328,141	$256,839

Note: Input "(Restated)" in Budget 2005 and/or Actuals 2004 column headings where comparatives are not taken from the respective finalized 2004-2005 Budget Report and/or finalized 2003-2004 Audited Financial Statements.

School Jurisdiction Code: 2255

STATEMENT OF CASH FLOWS

for the Year Ended August 31, 2005

(in dollars)

	2005	2004
CASH FLOWS FROM:		
A. OPERATIONS		
Surplus (deficit) of revenues over expenses for the year	$1,494,343	$256,839
Add (Deduct) items not requiring cash:		
Amortization of capital allocations revenue	($1,134,218)	($1,083,772)
Total amortization expense	$1,813,146	$1,773,949
Gains on disposal of capital assets	($20,745)	($47,228)
Losses on sale of capital assets	$0	$0
Changes in accrued accounts:		
Accounts receivable	($1,253,976)	$810,574
Prepaids and other current assets	$20,669	($89,721)
Long term accounts receivable	$0	$0
Long term investments	$0	$0
Payables and accrued liabilities	($720,203)	$54,877
Deferred revenue	$209,318	$56,840
Employee future benefit expense (recovery)	$0	$0
Other (describe)	$0	$0
Total sources (uses) of cash from Operations	$408,335	$1,732,358
B. INVESTING ACTIVITIES		
Purchases of capital assets		
Land	$0	$0
Buildings	($4,010,597)	($2,085,204)
Equipment	($5,929)	($6,511)
Vehicles	($687,230)	($322,430)
Net proceeds from disposal of capital assets	$78,742	$95,276
Other (describe)	$0	$0
Total sources (uses) of cash from Investing activities	($4,625,014)	($2,318,869)
C. FINANCING ACTIVITIES		
Capital allocations	$3,037,222	$2,711,090
Issue of long term debt	$0	$0
Repayment of long term debt	($576,466)	($603,061)
Add back: supported portion	$429,012	$454,911
Other (describe)	$0	$0
Total sources (uses) of cash from Financing activities	$2,889,768	$2,562,940
Net sources (uses) of cash during year	($1,326,912)	$1,976,429
Cash and temporary investments, net of bank indebtedness, at Aug. 31/04	$4,152,742	$2,176,313
Cash and temporary investments, net of bank indebtedness, at Aug. 31/05	$2,825,830	$4,152,742

Note: 1 Input "(Restated)" in 2004 column heading where not taken from the finalized 2003-2004 Audited Financial Statements.
2 Cash and temporary investments are net of cash obligations.

STATEMENT OF CHANGES IN NET ASSETS
for the Year Ended August 31, 2005

(in dollars)

School Jurisdiction 2255

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
	TOTAL NET ASSETS Cols 2+3+4	INVESTMENT IN CAPITAL ASSETS	UNRESTRICTED NET ASSETS	TOTAL INTERNALLY RESTRICTED NET ASSETS Cols 5 to 14	INTERNALLY RESTRICTED NET ASSETS									
					School Based		Infrastructure		Board & System Admin.		Transportation		External Services	
					Operating Reserves	Capital Reserves	O& M Operating Reserves	Capital Reserves	Operating Reserves	Capital Reserves	Operating Reserves	Capital Reserves	Operating Reserves	Capital Reserves
Balance at August 31, 2004	$7,487,757	$5,439,814	$136,197	$1,911,746	$1,198,720	$303,012	($162,928)	$198,836	$45,767	$113,214	($88,184)	$303,309	$0	$0
Prior period adjustments (describe)														
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Adjusted Balance,Aug.31, 2004	$7,487,757	$5,439,814	$136,197	$1,911,746	$1,198,720	$303,012	($162,928)	$198,836	$45,767	$113,214	($88,184)	$303,309	$0	$0
Surplus(def) of revenue over expense	$1,494,343		$1,494,343											
Board funded capital transactions		$693,160	($693,160)	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Direct credits to net assets	$0	$0												
Amortization of capital assets		($1,813,146)	$1,813,146											
Amortization of capital allocations		$1,134,218	($1,134,218)											
Disposal of unsupported capital assets	$0	($57,998)	$0	$57,998		$0		$0		$0		$57,998		$0
Disposal of supported capital assets (board funded portion)	$0	$0	$0	$0		$0		$0		$0		$0		$0
Debt principal payments (unsupported)		$147,455	($147,455)											
Net transfers to operating reserves			($1,366,430)	$1,366,430	$1,105,866		$75,822				$184,742		$0	
Net transfers from operating reserves			$0	$0	$0		$0		$0		$0		$0	
Net transfers to capital reserves			($678,928)	$678,928		$152,060		$59,222		$0		$467,646		$0
Net transfers from capital reserves			$693,160	($693,160)		($31,762)		$0		$0		($661,398)		$0
Balance at August 31, 2005	$8,982,100	$5,543,503	$116,655	$3,321,942	$2,304,586	$423,310	($87,106)	$258,058	$45,767	$113,214	$96,558	$167,555	$0	$0

School Jurisdiction Code: 2255

STATEMENT OF CAPITAL ALLOCATIONS
(SUPPORTED CAPITAL FINANCING ONLY)
for the Year Ended August 31, 2005

(in dollars)

	Deferred Capital Allocations	Unamortized Capital Allocations
Balance at August 31, 20	$973,375	$15,380,665
Prior period adjustment	$0	$0
Adjusted balance, August 31, 2004	$973,375	$15,380,665
Add:		
Capital allocations from: Infrastructure and Transportation-New/Modernization Projects	$2,979,316	
Other Government of Alberta	$0	
Federal Government and/or First Nations	$48,000	
Other sources	$0	
Interest earned on provincial government capital allocations	$9,906	
Other capital grants and donations	$0	
Proceeds on disposal of supported capital assets	$0	
Insurance proceeds	$0	
Donated capital assets (amortizable, at Fair Market Value)		$0
Transferred in capital assets (amortizable, at Net Book Value)		$0
Current Year Debenture Principal Repayment		$429,012
Expended capital allocations - current year	($4,010,597)	$4,010,597
Less:		
Unamortized Capital Allocation affected by a disposal through transfer out		$0
Capital allocations amortized to revenue		$1,134,218
Balance at August 31, 2005	$0	$18,686,056

PALLISER REGIONAL DIVISION NO. 26
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED
AUGUST 31, 2005

1. AUTHORITY AND PURPOSE

The School Jurisdiction delivers education programs under the authority of the *School Act*, Revised Statutes of Alberta 2000, Chapter S-3.

The jurisdiction receives block allocations for instruction and support under Regulation 77/2003. The regulation allows for the setting of conditions and use of grant monies. The School Jurisdiction is limited on administration expenses and is permitted to reallocate funding within the Alberta Learning instruction and support block areas.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

These financial statements have been prepared in accordance with Canadian Generally Accepted Accounting Principles (GAAP). The precise determination of many assets and liabilities is dependent on future events. As a result, the preparation of financial statements for a period involves the use of estimates and approximations, which have been made using careful judgment. Actual results could differ from those estimates and approximations. The financial statements have, in management's opinion, been properly prepared within reasonable limits of materiality and within the framework of the accounting policies summarized below.

a) **Revenue Recognition** – Revenue is recognized as follows:

- Instruction and support allocations are recognized in the year in which they relate.
- Fees for services related to courses and programs are recognized as revenue when such courses and programs are delivered.
- Unrestricted contributions are recognized as revenue when received or receivable. Contributions in kind are recorded at fair market value when reasonably determinable.
- Externally restricted contributions are deferred and recognized as revenue in the period in which the restriction is complied with. Endowment funds, which are to be retained as net assets, are recorded as direct increases in trust assets and liabilities.

b) **Capital Assets** – Capital assets are reflected in the accounts at cost, and are amortized over their estimated useful lives on a straight-line basis, at the following rates:

Buildings	2.5-4%
Vehicles & Buses	10-20%
Equipment & Furnishings	10-20%

Only capital assets with costs in excess of $5,000 are capitalized. Any capital allocations received for asset additions are amortized over the same period as the related asset.

c) **School-Generated Funds** – These are funds in the community, which come under the control and responsibility of the school principal and are for school activities. These funds are usually collected and retained at the school for expenditures paid at the school level (e.g., yearbook sales, graduation fees, field trip fees, etc.).

d) **Vacation Pay** – Vacation pay is accrued in the period in which the employee earns the benefit.

e) **Pensions** – Pension costs included in these statements comprise the cost of employer contributions for current service of employees during the year.

The current service and past service costs of the Alberta Teacher Retirement Fund are met by contributions by active members and the Government of Alberta. Under the terms of the Teachers Pension Plan Act, the Palliser School Division does not make pension contributions for certificated staff.

The school board participates in the multi-employer pension plan – the Local Authorities Pension Plan. The expense for this pension plan is equivalent to the annual contributions of $228,066 for the year ended August 31, 2005. At December 31, 2004, the Local Authorities Pension Plan reported an actuarial deficiency of $1,288,924,000 (2003 deficiency of $1,410,987,000).

f) **Inventories** – Inventories are recorded at the lesser of cost or net realizable value.

g) **Prepaid Expenses** – Certain expenditures incurred and paid before the close of the school year are for specific school supplies, which will be consumed subsequent to the year-end, and are accordingly recorded as prepaid expenses. Certain insurance expenses fall into this category.

h) **Contributed Services** – Volunteers contribute a considerable number of hours per year to various schools, which are within the school board to ensure that certain programs are delivered, such as kindergarten, lunch services and the raising of school-generated funds. Because of the difficulty of compiling these hours, and the fact that these services are not otherwise purchased, contributed services are not recognized in the financial statements.

i) **Financial Instruments** – The jurisdiction's financial instruments consist of cash, accounts receivable, accounts payable, accrued liabilities and long-term debt. It is management's opinion that the jurisdiction is not exposed to significant interest, currency or credit risks arising from these financial instruments. Unless otherwise noted, the fair values of these financial instruments approximate their carrying values. The jurisdiction has invested surplus funds in accordance with Section 60 of the *School Act* and Section 5 of the *Trustees Act*.

j) **Operating and Capital Reserves** – Reserves are established at the discretion of the Board of Trustees of the jurisdiction, to set aside funds for operating and for future capital expenditures. Such reserves are appropriations of unrestricted net assets.

k) **Employee Future Benefits** – The jurisdiction accrues its obligations under employee future benefit plans and expenses the related costs. As at August 31, 2005, the recorded obligation is NIL (2004 Nil).

l) **Investments** – Short-term investments are valued at the lower of cost or market. Long-term investments are valued at cost or, where there has been other than a temporary impairment in the value of the investment, at market value.

3. ACCOUNTS RECEIVABLE

	2005	2004
Alberta Education	$ 183,043	$ (70,551)
Alberta Infrastructure and Transportation	1,320,235	500,479
Alberta Finance	214,656	236,532
Federal Government	144,440	127,028
First Nations	202,036	(11,474)
Other	94,534	122,954
	$ 2,158,944	**$ 904,968**

4. TRUST ASSETS AND LIABILITIES

	2005	2004
Scholarship Trusts	**$162,245**	**$168,807**

5. BANK INDEBTEDNESS

The jurisdiction has negotiated a line of credit in the amount of $1,000,000 that bears interest at the bank prime rate. This line of credit is secured by a borrowing bylaw and a security agreement, covering all revenue of the jurisdiction. There was no balance outstanding on the line of credit at August 31, 2005.

6. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	2005	2004
Alberta Finance	$ 214,582	$ 236,532
Federal Government	-	4,489
Other Trade Payables & Accrued Liabilities	903,229	1,596,993
	$ 1,117,811	**$ 1,838,014**

7. DEFERRED REVENUE

	2005	2004
Alberta Initiative for School Improvement	$ 189,487	$ 194,175
Infrastructure Maintenance Program	118,499	119,492
Infrastructure Plant Operations & Maintenance Grant	6,102	6,102
High Speed Networking Grant	60,000	-
2004-2005 One-Time Video-Conferencing Grant	90,715	-
2003-2004 One-Time FNMI Grant	24,405	62,189
Class Size Initiative Funding	56,657	-
2004-2005 One-Time Textbook Grant	38,674	-
Other	55,438	48,701
	$ 639,977	**$ 430,659**

8. DEFERRED CAPITAL ALLOCATIONS

Deferred capital allocations represent externally-restricted supported capital funds provided for a specific capital purpose that have been received or are receivable by the jurisdictions, but the related expenditure has not yet been made at year-end. These unspent deferred capital allocations are not amortized until the expenditure has been made and it is at that time that the balance is transferred to the unamortized capital allocations account.

9. LONG-TERM DEBT

a) **Debenture Debt – Supported** – The debenture debt bears interest at rates varying between 6.875% and 11.625%. The debenture debt is fully supported by Alberta Finance. The current portion of long-term debt consists entirely of amounts payable by Alberta Finance on supported debt; therefore, the working capital (current assets minus current liabilities) is understated by this amount. Debenture payments due over the next five years and beyond are as follows:

Year	Principle	Interest	Total
2006	417,989	419,862	**837,851**
2007	402,796	378,194	**780,990**
2008	395,281	338,043	**733,324**
2009	386,853	298,597	**685,450**
2010	382,704	260,116	**642,820**
Thereafter	2,316,297	831,077	**3,147,374**
Total	**$ 4,301,920**	**$ 2,525,889**	**$ 6,827,809**

b) **Long Term Debt – Unsupported** – Unsupported debt consists of a mortgage on the jurisdiction's administrative building. This debt is not supported by Alberta Finance. The mortgage bears interest at 7.17% and is repayable in monthly blended payments of $13,718.48. Payments due over the year are as follows:

Year	Principle	Interest	Total
2006	158,736	6,244	**164,980**

c) **Capital Leases – Unsupported** – There are currently no capital leases held by the jurisdiction.

10. UNAMORTIZED CAPITAL ALLOCATIONS

Unamortized capital allocations represent externally-restricted supported capital funds that have been spent, but have yet to be amortized over the useful life of the applicable capital asset to which the restricted capital allocations apply. The unamortized capital allocations account balance is increased by transfers of previously deferred capital allocations now spent, as well as fully-supported debentured capital funds, as the principal is repaid.

11. BUDGET AMOUNTS

The budget was prepared by the school jurisdiction and approved by the Board of Trustees. It is presented for information purposes only and has not been audited.

12. ECONOMIC DEPENDENCE ON RELATED THIRD PARTY

The Palliser School Division's primary source of income is from the Alberta Government. The Division's ability to continue viable operations is dependent of this funding.

13. CONTINGENT LIABILITY

In October 2003, the jurisdiction was named defendant in a lawsuit filed in Lethbridge Provincial Court. The complainants allege they suffered personal injuries through the negligence of the jurisdiction to properly control environmental contamination on one of its school properties. In the opinion of management and legal counsel, the outcome of the lawsuit, now pending, is not determinable. Should any loss not covered by insurance result from the resolution of these claims, such loss will be charged to operations in the year of resolution.

SCHEDULE A to the AFS

School Jurisdiction Cod 2255

ALLOCATION OF REVENUES AND EXPENSES TO PROGRAMS - 2004-2005

REVENUES	TOTAL	ECS to Grade 12 Instruction	Operations and Maintenance of Schools & Maintenance Shops	Transportation	Board & System Admin.	External Services
(1) **Alberta Education Revenues**	$26,591,852	$24,676,773	$0	$2,493,710	$1,421,369	$0
Alberta Infrastructure and Transportation						
(2) Infrastructure Maintenance Program & Portable Relocations support	$310,445	$0	$310,445			
(3) Regular Operations & Maintenance support	$2,560,427		$2,560,427			
(4) Other support	$0	$0	$0			
(5) **Total Alberta Infrastructure and Transportation Revenues**	$2,870,872	$0	$2,870,872			
(6) **Alberta Finance**	$440,838		$440,838			$0
(7) **Other - Government of Alberta**	$223,712	$223,712	$0	$0	$0	$0
(8) **Federal Government and/or First Nations**	$509,995	$440,118	$47,099	$0	$22,777	$0
(9) **Other Alberta school authorities**	$11,403	$1,200	$0	$10,203	$0	$0
(10) **Out of province authorities**	$0	$0	$0	$0	$0	$0
(11) **Alberta municipalities** (excl. supplementary requisitions)	$47,917	$38,917	$0	$9,000	$0	$0
(12) **Instruction resource fees**	$403,946	$403,946				
(13) **Transportation fees**	$19,630			$19,630		
(14) **Other sales and services**	$68,760	$42,431	$1,909	$18,581	$5,748	$0
(15) **Investment income**	$125,474	$0	$5,413	$0	$120,061	$0
(16) **Gifts and donations**	$66,653	$66,653	$0	$0		$0
(17) **Rentals of facilities**	$404,642	$1,782	$402,860	$0	$0	$0
(18) **Net school generated funds**	$359,041	$359,041			$0	
(19) **Gains on disposal of capital assets**	$20,745	$0	$0	$20,745	$0	$0
(20) **Amortization of capital allocations**	$1,134,218		$1,134,218	$0		$0
(21) **TOTAL REVENUES**	$35,299,697	$26,254,573	$4,903,299	$2,571,869	$1,569,956	$0
EXPENSES						
(22) **Certificated salaries**	$15,021,400	$14,702,445			$318,955	$0
(23) **Certificated benefits**	$1,693,599	$1,580,983			$112,615	$0
(24) **Uncertificated salaries and wages**	$7,618,276	$4,808,609	$1,089,022	$1,113,529	$607,116	$0
(25) **Uncertificated benefits**	$1,472,656	$988,009	$274,805	$115,231	$94,611	$0
(26) **SUB - TOTAL**	$25,805,930	$22,080,046	$1,363,827	$1,228,760	$1,133,298	$0
(27) **Services, contracts & supplies**	$5,369,305	$2,364,867	$1,812,280	$754,525	$437,633	$0
(28) **Cost recoveries & charges to programs**	$0	$64,779	$0	($63,804)	($975)	$0
(29) **Net school generated funds**	$359,041	$359,041				
Capital and debt services						
Amortization of capital assets						
(30) Supported	$1,134,218	$0	$1,134,218	$0	$0	$0
(31) Unsupported	$678,928	$152,060	$59,222	$467,646	$0	$0
(32) Total Amortization	$1,813,146	$152,060	$1,193,440	$467,646	$0	$0
Interest on capital debt						
(33) Supported	$440,764	$0	$440,764	$0	$0	$0
(34) Unsupported	$17,167	$0	$17,167	$0	$0	$0
(35) Other interest charges	$0	$0	$0	$0	$0	$0
(36) Losses on disposal of capital assets	$0	$0	$0	$0	$0	$0
(37) **TOTAL EXPENSES**	$33,805,353	$25,020,792	$4,827,478	$2,387,128	$1,569,956	$0
(38) **SURPLUS (DEFICIT) BEFORE EXTRAORDINARY ITEM**	$1,494,343	$1,233,780	$75,822	$184,742	($0)	$0

School Jurisdiction Code: 2255

SCHEDULE B to the AFS

ALBERTA EDUCATION REVENUES 2004-2005

	TOTAL
Base Funding	
Early Childhood Services (ECS)	$660,212
Base Instruction (Gr 1-12)	$17,276,114
Outreach Programs	$104,040
Home Education	$0
Differential Cost Funding *	$9,093,257
Other Provincial Support	
Institutional Programs	$0
Regional Consortium (6 boards) and Regional Educational Consulting Services (4 boards)	$0
Learning Resources Credit	$34,551
Federal French Funding	$0
Provincial Priority Targeted Funding	
Class Size Initiative	$476,214
Student Health Initiative (SHI)	$0
Alberta Initiative for School Improvement (AISI)	$463,786
High Speed Networking	$0
Children and Youth with Complex Needs	$0
Other Alberta Education Revenues (describe) Video-conference grant, textbook grant	$483,679
Total Alberta Education Revenues	$28,591,852

* Differential Cost Funding is based on distribution formulas designed to address variable cost factors and incremental costs associated with other variables and specific student populations. Included in differential cost funding are allocations for students with severe disabilities, English as a second language students, Francisation and support services for immigrant students, aboriginal students, gifted & talented early childhood services children and those with mild or moderate or severe disabilities, the percentage of the student population experiencing low socio-economic status, small schools by necessity, intra-jurisdiction distances, year to year enrolment fluctuations, small school board administration, schools located in the north, boarding, transportation, stabilization of funding, and cost differences among school jurisdictions for purchasing goods and services

School Jurisdiction Code: 2255

SCHEDULE C the AFS

ECS to Grade 12 INSTRUCTION PROGRAMS Expense Details - 2004-2005

SUB-PROGRAMS & INITIATIVES	ECS to GRADE 12 Instruction						
	Certificated Remuneration	Uncertificated Remuneration	Services, Contracts & Supplies [1]	Learning Resources	Cost Recoveries & Transfers	Other Expenses [2]	TOTAL EXPENSES
School Administration & All Instruction Support	$1,491,688	$715,770	$24,192		$0	$0	$2,231,650
Mild & Moderate Disabilities/Gifted & Talented (ECS-12)	$723,886	$429,225	$81,914		$0		$1,235,025
ECS Program Unit (PUF)	$160,248	$558,402	$341,790		$0		$1,060,440
Severe Disabilities (Gr 1-12)	$504,172	$1,878,499	$148,023		$0		$2,530,694
English as a Second Language	$7,409	$230,495	$5,167		$0		$243,071
French Language Program & Francisation (all jurisdictions)	$0	$0	$0		$0		$0
First Nations, Metis and Inuit Education (ECS - Gr 12)	$5,991	$834	$32,392		$0		$39,217
Home Education	$0	$0	$36,910		$0		$36,910
Institutional Programs	$0	$0	$0		$0		$0
Alberta Initiative for School Improvement	$312,972	$3,719	$156,090	$0	$0		$472,781
Student Health Initiative	$0	$213,159	$4,681		$0		$217,840
High Speed Networking			$0		$0		$0
Class Size	$476,214	$0	$0	$0	$0		$476,214
Children and Youth with Complex Needs (ECS - Gr 12)	$0	$0	$0		$0		$0
All Other Student Instruction Expenses (ECS - Gr 12)	$12,600,849	$1,766,515	$1,533,708	$0	$64,779	$511,100	$16,476,951
TOTAL EXPENSES	$16,283,428	$5,796,618	$2,364,867	$0	$64,779	$511,100	$25,020,792

FULL-TIME-EQUIVALENCIES (Board/Contract)	FTE Certificated	FTE Uncertificated
Mild & Moderate Disabilities/Gifted & Talented (ECS - Gr 12	10.2	20.1
ECS Program Unit (PUF)	1.9	29.3
Severe Disabilities (Gr 1-12)	6.8	91.9

Note 1 Excludes Learning Resources.

Note 2 Includes Net School Generated Funds, Amortization, Interest, and Losses on Disposal of Instruction Program Capital Assets

School Jurisdiction Code: 2255

SCHEDULE D to the AFS
CALCULATION OF MAXIMUM ELIGIBLE EXPENSE LIMIT FOR BOARD (GOVERNANCE) AND SYSTEM ADMINISTRATION - 2004-2005

TOTAL EXPENSES		**$33,805,353**

STEP 1

Calculation of maximum expense limit PERCENTAGE for Board and System Administration expenses

If "Total Net Enrolled Students" are 6,000 and over	= 4%	**5.32%**
If "Total Net Enrolled Students" are 2,000 and less	= 6%	

The Maximum Expense Limit for Board and System Administration is based on an arithmetical proration for the TOTAL FTE count for grades 1 -12, net of Home Education AND Adult students, between 2,000 to 6,000 at .0005 per FTE.

EXAMPLE: 4,500 FTE count grades 1-12 = 6,000 - 4,500 = 1,500 X .0005 = .75% plus 4% = maximum expense limit of 4.75%

Note: Calculation unnecessary if Total FTE is 6,000 or more, and 2,000 & less.

STEP 2

Calculate maximum expense limit AMOUNTS for Board and System Administration expenses

Maximum Expense Limit percentage (Step 1) x TOTAL EXPENSES		$1,798,445
Considerations for Charter Schools and Small School Boards:		
If **Charter School**, enter $56,100	$0	$0
If **School Board**, please enter your 04-05 Gr 1- 12 funded enrolment	3,361	
	$0	$0
MAXIMUM EXPENSE LIMIT		**$1,798,445**

STEP 3

Compare maximum expense limit amounts calculated in Step 2 to actual expenses (from Schedule A)

Actual Board Governance & System Administration expenses	$1,569,956
PLUS: transfers to Restricted - Operating (Board/System Administration)	$0
LESS: transfers from Restricted - Operating (Board/System Administration)	$0
TOTAL BOARD GOVERNANCE & SYSTEM ADMINISTRATION EXPENSES	$1,569,956
MAXIMUM EXPENSE LIMIT	$1,798,445
ACTUAL EXPENSES - OVER(UNDER) MAXIMUM EXPENSE LIMIT	-$228,489

School Jurisdiction Code: 2255

SCHEDULE E to the AFS
SOURCE & APPLICATION OF SCHOOL GENERATED FUNDS (SGF) - 2004-2005

	Gross SGF	Related Expenses	Net SGF	
Unexpended SGF - Opening Balance August 31, 2004 (Note 1)				$525,405
Source of Net School Generated Funds:				
Fundraising activities	$1,144,771	$916,447	$228,324	
Student fees (Non-Instructional) (Note 2)	$304,299		$304,299	
Donations and grants to schools	$18,640		$18,640	
Other (describe)	$0	$0	$0	
Net Additions to SGF	$1,467,709	$916,447		$551,262
Net SGF Available for Discretionary Spending				$1,076,667
Application of Net School Generated Funds:				
Extra-curricular activities			$267,207	
School beautification			$0	
Field Trips			$91,834	
Equipment			$0	
Family literacy and other community resources			$0	
Other (describe)			$0	
Net SGF Expended for Discretionary Purposes (Note 3)				$359,041
Unexpended SGF - Closing Balance August 31, 2005 (Note 4)				$717,626

School Generated Funds (SGF) are funds raised in the community for student activities that come under the control and responsibility of school management. These funds are usually collected and retained at the school for expenditures paid at the school level. SGF does not include fees with respect to instructional supplies or materials collected pursuant to Section 60(2)(j) of the *School Act*, and any other funds collected at the school but remitted to central office and accounted for by the jurisdiction (facility rentals, capital assets purchases, etc.)

Note 1 Input "(Restated)" beside Balance at August 31, 2004 where not taken from the finalized 2003-2004 Audited Financial Statements.

Note 2 Excludes fees collected pursuant to Section 60(2)(j) of the School Act (fees with respect to instructional supplies or materials - essentially textbooks, resource materials in lieu of textbooks, media, software, and materials for classrooms). Amounts collected for CEU-related activities are recorded as instruction resource fees, not SGF.

Note 3 Net SGF Expended for Discretionary Purposes is recorded as revenue and expense in the Statement of Revenues & Expenses.

Note 4 Unexpended SGF is carried forward to the Statement of Financial Position

School Jurisdiction Code: 2255

SCHEDULE F to the AFS
Operations and Maintenance Program Expenses - 2004-2005

EXPENSES	Custodial	Maintenance	Utilities and Telecommunications	Expensed Mod./I.M.P. & Portable Relocations	Facility Planning & Operations Administration	SUB-TOTAL Operations & Maintenance	Supported Capital & Debt Services	TOTAL Operations and Maintenance
Uncertificated salaries and wages	$691,702	$329,858	$0	$0	$67,462	$1,089,022		$1,089,022
Uncertificated benefits	$174,546	$83,236	$0	$0	$17,023	$274,805		$274,805
Sub-total Remuneration	$866,248	$413,095	$0	$0	$84,485	$1,363,827		$1,363,827
Contracted Services	$214,242	$369,858	$0	$310,445	$0	$894,545		$894,545
Supplies	$97,036	$64,618	$0	$0	$5,088	$166,742		$166,742
Electricity			$416,694			$416,694		$416,694
Natural Gas/Heating Fuel			$288,088			$288,088		$288,088
Sewer and Water			$38,879			$38,879		$38,879
Telecommunications			$7,333			$7,333		$7,333
Insurance					$0	$0		$0
Amortization of capital assets								
Supported							$1,134,218	$1,134,218
Unsupported						$59,222		$59,222
Total Amortization						$59,222	$1,134,218	$1,193,440
Interest on capital debt								
Supported							$440,764	$440,764
Unsupported				$0		$17,167		$17,167
Other interest charges						$0		$0
Losses on disposal of capital assets						$0		$0
Cost recoveries & transfers						$0		$0
TOTAL EXPENSES	$1,177,525	$847,571	$750,993	$310,445	$89,573	$3,252,495	$1,574,982	$4,827,478
SQUARE METRES								
School Buildings								58,767.0
Non School Buildings								3,485.0
UNCERTIFICATED FTE'S (Board/Contract)	29.0	7.0						

Notes:

Custodial:	All expenses related to activities undertaken to keep the school environment clean and safe.
Maintenance:	All expenses associated with the repair, replacement and minor construction of buildings, grounds and equipment components. This includes regular and preventative maintenance undertaken to ensure components reach or exceed their life cycle and the repair of broken components.
Utilities & Telecommunications:	All expenses related to electricity, natural gas and other heating fuels, sewer and water and all forms of telecommunications.
Expensed Block Mod/I.M.P. & Portable Relocations:	All expenses associated with non-capital activites related to Block Modernization, Infrastructure Maintenance Programs (AKA Building Quality Restoration Program) and portable relocations.
Facility Planning & Operations Administration:	All expenses related to the administration of operations and maintenance including (but not limited to) contract administration, clerical functions, negotiations, supervision of employees and contractors, administration of capital projects (including new schools, I.M.P., block modernization and portable relocations), administration of joint-use agreements, and all expenses related to ensuring compliance with health and safety statndards, codes and government regulations.
Supported Capital & Debt Services:	All expenses related to supported capital assets amortization and interest on supported capital debt.

School Jurisdiction Code: 2255

SCHEDULE G to the AFS
DISCLOSURE OF SALARIES AND BENEFITS - 2004-2005
(SECTION 148.1 OF THE SCHOOL ACT)

		FTEs	Remuneration	Benefits	Allowances	Performance Bonuses	ERIP's / Other	Total	Expenses
Chairperson:									
Name	Mr. Don Zech	1.0	$17,000	$763	$0			$17,763	$10,308
Name	Mrs. Marlene McCann	0.1	$1,540	$69	$0			$1,609	$614
Other Board Members:									
Name	Mrs. Ester Willms	0.9	$10,510	$435	$0			$10,945	$8,630
Name	Mrs Jean Mrak	0.9	$10,910	$439	$0			$11,349	$7,744
Name	Mr. Joe Watson	1.0	$9,560	$498	$0			$10,058	$2,377
Name	Mrs. Colleen Dietz	1.0	$14,520	$618	$0			$15,138	$11,445
Name	Mr. Robert Strauss	1.0	$6,360	$345	$0			$6,705	$2,136
Name	Mrs Ema Dyck	0.1	$660	$24	$0			$684	$58
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Subtotal		*6.0*	*$71,060*	*$3,191*	*$0*			*$74,251*	*$43,311*
Superintendent	Dr. Garry Andrews	1.0	$120,669	$7,002	$0	$0	$0	$127,672	$12,684
Superintendent		0.0	$0	$0	$0	$0	$0	$0	$0
Secretary/Treasurer	Mr. Laune Marston	1.0	$109,429	$18,374	$0	$0	$0	$127,803	$11,287
Secretary/Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Board Secretary		0.0	$0	$0	$0	$0	$0	$0	$0
Board Secretary		0.0	$0	$0	$0	$0	$0	$0	$0
Board Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Board Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Certificated Salaries		205.7	$14,791,302	$1,668,223	$0	$0	$0	$16,459,525	
Uncertificated Salaries & Wages		228.5	$7,547,216	$1,469,464	$0	$0	$0	$9,016,680	
TOTALS			**$22,639,677**	**$3,166,253**	**$0**	**$0**	**$0**	**$25,805,930**	

Note: Please refer to completion information on page 15

Don Zech was elected Chair at the October 29004 organizational meeting but was aboard member prior to that. Therfore he is listed at 1.0 FTE

Ema Dyck and Marlene McCann did not run for re-election and were replaced by Ester Willms and Jean Mrak in October

School Jurisdiction Code 2305

AUDITED
FINANCIAL STATEMENTS
and Supporting Schedules
FOR THE YEAR ENDED AUGUST 31, 2005
[School Act, Sections 147(2)(a), 148, 151(1) and 276]

Parkland School Division No. 70
Legal Name of School Jurisdiction

4603 48 Street Stony Plain, AB T7Z 2A8
Mailing Address

Telephone: 780-963-4010 Fax: 780-963-4169
Telephone and Fax Numbers

SCHOOL JURISDICTION MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The financial statements and supporting schedules Parkland School Division No. 70 (Name of School Jurisdiction) presented to Alberta Learning have been prepared by school jurisdiction management which has responsibility for their preparation, integrity and objectivity. The financial statements and schedules, including notes, have been prepared in accordance with generally accepted accounting principles and Ministerial requirements for Alberta school jurisdictions.

In fulfilling its reporting responsibilities, management has maintained internal control systems and procedures designed to provide reasonable assurance that the school jurisdiction's assets are safeguarded, that transactions are executed in accordance with appropriate authorization and that accounting records may be relied upon to properly reflect the school jurisdiction's transactions. The effectiveness of the control systems is supported by the selection and training of qualified personnel, an organizational structure that provides an appropriate division of responsibility and a strong budgetary system of control.

Board of Trustees Responsibility
The ultimate responsibility for the financial statements lies with the Board of Trustees. The Board reviewed the financial statements with management in detail and the Board approved the financial statements for release.

External Auditors
The Board appoints external auditors to audit the financial statements and meets with the auditors to review their findings. The external auditors have full and free access to school jurisdiction records.

Declaration of Management and Board Chairman
To the best of our knowledge and belief, these financial statements and supporting schedules reflect, in all material respects, the financial position and results of operations and cash flows for the year in accordance with generally accepted accounting principles and Ministerial requirements for Alberta school jurisdictions.

BOARD CHAIRMAN	
Grace Gruber	"ORIGINAL SIGNED"
Name	**Signature**

SUPERINTENDENT	
Mary Lynne Campbell	"ORIGINAL SIGNED"
Name	**Signature**

SECRETARY TREASURER OR TREASURER	
Tom Olson	"ORIGINAL SIGNED"
Name	**Signature**

6-Dec-05
Board-approved Release Date

c.c. **ALBERTA EDUCATION, School Reporting Branch,**
8th Floor Commerce Place, 10155-102 Street, Edmonton AB T5J 4L5
EMAIL: Cindy.Jarry@gov.ab.ca
PHONE: (780) 427-7782 FAX: (780) 422-6996

PRICEWATERHOUSECOOPERS

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Chartered Accountants
Suite 1501, TD Tower
10088 – 102 Avenue
Edmonton, Alberta
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Telephone +1 (780) 441 6700
Facsimile +1 (780) 441 6776

November 18, 2005

Auditors' Report

To the Board of Trustees of
Parkland School Division No. 70

We have audited the statement of financial position of **Parkland School Division No. 70** as at August 31, 2005 and the statements of revenue and expenses, cash flows, changes in net assets and capital allocations for the year then ended. These financial statements are the responsibility of the school division's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the school division as at August 31, 2005 and the results of its operations, cash flows, changes in net assets and capital allocations for the year then ended in accordance with Canadian generally accepted accounting principles.

Our audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplementary information included in schedules A through G and notes 10 through 14 are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such supplementary information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

PricewaterhouseCoopers LLP

Chartered Accountants

PricewaterhouseCoopers refers to the Canadian firm of PricewaterhouseCoopers LLP and the other member firms of PricewaterhouseCoopers International Limited, each of which is a separate and independent legal entity.

School Jurisdiction Code: 2305

STATEMENT OF FINANCIAL POSITION

as at August 31, 2005

(in dollars)

		2005	2004
ASSETS			
Current assets			
Cash and temporary investments		$6,730,477	$11,451,169
Accounts receivable (net after allowances)		$5,004,332	$2,388,585
Prepaid expenses		$241,813	$189,620
Other current assets		$0	$0
Total current assets		$11,976,622	$14,029,374
School generated assets		$1,214,137	$713,330
Trust assets		$445,686	$553,027
Long term accounts receivable		$0	$0
Long term investments		$0	$0
Capital assets			
Land		$4,205,583	$4,205,583
Buildings	$84,108,125		
Less: accumulated amortization	($35,636,763)	$48,471,362	$41,240,808
Equipment	$4,814,890		
Less: accumulated amortization	($3,787,660)	$1,027,230	$746,946
Vehicles	$861,976		
Less: accumulated amortization	($478,552)	$383,424	$195,075
Total capital assets		$54,087,599	$46,388,412
TOTAL ASSETS		$67,724,044	$61,684,143
LIABILITIES			
Current liabilities			
Bank indebtedness		$0	$0
Accounts payable and accrued liabilities		$2,970,158	$2,934,692
Deferred revenue		$571,642	$558,269
Deferred capital allocations		$390,066	$2,931,746
Current portion of all long term debt		$1,692,495	$1,693,255
Total current liabilities		$5,624,361	$8,117,962
School generated liabilities		$1,214,137	$713,330
Trust liabilities		$445,686	$553,027
Employee future benefits liability		$0	$0
Long term payables and accrued liabilities		$0	
Long term debt			
Supported: Debentures and other supported debt		$6,205,292	$7,898,547
Less: Current portion of supported debt		($1,692,495)	($1,693,255)
Unsupported: Debentures and Capital Loans		$0	$0
Capital Leases		$0	$0
Mortgages		$0	$0
Less: Current portion of unsupported debt		$0	$0
Unamortized capital allocations		$43,005,359	$33,720,127
Total long term liabilities		$49,177,979	$41,191,776
TOTAL LIABILITIES		$54,802,340	$49,309,738
NET ASSETS			
Unrestricted net assets		$3,230,349	$420,630
Operating Reserves		$2,472,268	$4,769,411
Accumulated Operating Surplus (Deficit)		$5,702,617	$5,190,041
Investment in capital assets		$4,876,948	$4,769,738
Capital Reserves		$2,342,139	$2,414,626
Total Capital Funds		$7,219,087	$7,184,364
Total net assets		$12,921,704	$12,374,405
TOTAL LIABILITIES AND NET ASSETS		$67,724,044	$61,684,143

Note: Input "(Restated)" in 2004 column heading where comparatives are not taken from the finalized 2003-2004 Audited Financial Statements.

School Jurisdiction Code: 2305

STATEMENT OF REVENUES AND EXPENSES

for the Year Ended August 31, 2005

(in dollars)

	Actual 2005	Budget 2005	Actual 2004
REVENUES			
Government of Alberta	$68,487,053	$68,304,516	$66,254,489
Federal Government and/or First Nations	$1,119,953	$1,129,387	$1,318,916
Other Alberta school authorities	$60,521	$33,400	$52,745
Out of province authorities	$0	$0	$0
Alberta Municipalities (excluding supplementary requisitions)	$35,907	$0	$31,475
Instruction resource fees	$1,049,968	$610,000	$650,696
Transportation fees	$114,595	$124,000	$115,002
Other sales and services	$1,451,294	$193,500	$441,954
Investment income	$264,775	$295,000	$249,915
Gifts and donations	$0	$0	$0
Rentals of facilities	$2,940	$0	$2,572
Net school generated funds	$413,900	$440,102	$402,231
Gains on disposal of capital assets	$72,762	$0	$31,942
Amortization of capital allocations	$1,988,438	$1,700,908	$1,807,704
Total Revenues	$75,062,106	$72,830,813	$71,359,641
EXPENSES			
Certificated salaries	$35,228,969	$35,305,611	$33,730,484
Certificated benefits	$4,052,058	$4,088,512	$3,904,474
Uncertificated salaries and wages	$11,580,405	$11,059,394	$10,940,088
Uncertificated benefits	$2,785,409	$2,481,062	$2,639,220
Services, contracts and supplies	$17,151,582	$19,275,655	$16,599,938
Net school generated funds	$413,900	$440,102	$402,231
Capital and debt services			
Amortization of capital assets			
Supported	$1,988,438	$1,700,908	$1,807,704
Unsupported	$396,322	$577,276	$332,133
Total Amortization of capital assets	$2,384,760	$2,278,184	$2,139,837
Interest on capital debt			
Supported	$762,955	$865,695	$959,616
Unsupported	$0	$0	$0
Total Interest on capital debt	$762,955	$865,695	$959,616
Other interest charges	$0	$0	
Losses on disposal of capital assets	$154,769	$0	$20,489
Total Expenses	$74,514,807	$75,794,215	$71,336,377
SURPLUS (DEFICIT) OF REVENUES OVER EXPENSES BEFORE EXTRAORDINARY ITEM	$547,299	($2,963,402)	$23,264
Extraordinary Item	$0	$0	$0
SURPLUS (DEFICIT) OF REVENUES OVER EXPENSES	$547,299	($2,963,402)	$23,264

Note: Input "(Restated)" in Budget 2005 and/or Actuals 2004 column headings where comparatives are not taken from the respective finalized 2004-2005 Budget Report and/or finalized 2003-2004 Audited Financial Statements.

School Jurisdiction Code: 2305

STATEMENT OF CASH FLOWS

for the Year Ended August 31, 2005

(in dollars)

	2005	2004
CASH FLOWS FROM:		
A. OPERATIONS		
Surplus (deficit) of revenues over expenses for the year	$547,299	$23,264
Add (Deduct) items not requiring cash:		
Amortization of capital allocations revenue	($1,988,438)	($1,807,704)
Total amortization expense	$2,384,760	$2,139,837
Gains on disposal of capital assets	($72,762)	($31,942)
Losses on sale of capital assets	$154,769	$20,489
Changes in accrued accounts:		
Accounts receivable	($2,615,747)	($268,600)
Prepaids and other current assets	($52,193)	($116,327)
Long term accounts receivable	$0	$0
Long term investments	$0	$0
Payables and accrued liabilities	$35,466	$815,578
Deferred revenue	$13,373	($681,810)
Employee future benefit expense (recovery)	$0	$0
Other (describe)	$0	$0
Total sources (uses) of cash from Operations	($1,593,473)	$92,785
B. INVESTING ACTIVITIES		
Purchases of capital assets		
Land	$0	$0
Buildings	($9,719,176)	($1,826,443)
Equipment	($566,473)	($245,755)
Vehicles	($249,720)	($117,044)
Net proceeds from disposal of capital assets	$113,261	$37,143
Other (describe)	$0	$0
Total sources (uses) of cash from Investing activities	($10,422,108)	($2,152,099)
C. FINANCING ACTIVITIES		
Capital allocations	$7,294,889	$4,438,314
Issue of long term debt	$0	$0
Repayment of long term debt	($1,693,255)	($1,766,713)
Add back: supported portion	$1,693,255	$1,766,713
Other (describe)	$0	$0
Total sources (uses) of cash from Financing activities	$7,294,889	$4,438,314
Net sources (uses) of cash during year	($4,720,692)	$2,379,000
Cash and temporary investments, net of bank indebtedness, at Aug. 31/04	$11,451,169	$9,072,169
Cash and temporary investments, net of bank indebtedness, at Aug. 31/05	$6,730,477	$11,451,169

Note: 1 Input "(Restated)" in 2004 column heading where not taken from the finalized 2003-2004 Audited Financial Statements

2 Cash and temporary investments are net of cash obligations.

STATEMENT OF CHANGES IN NET ASSETS
for the Year Ended August 31, 2005

(in dollars)

School Jurisdiction 2305

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
	TOTAL NET ASSETS Cols. 2+3+4	INVESTMENT IN CAPITAL ASSETS	UNRESTRICTED NET ASSETS	TOTAL INTERNALLY RESTRICTED NET ASSETS Cols. 5 to 14	INTERNALLY RESTRICTED NET ASSETS									
					School Based		Infrastructure		Board & System Admin.		Transportation		External Services	
					Operating Reserves	Capital Reserves	O& M Operating Reserves	Capital Reserves	Operating Reserves	Capital Reserves	Operating Reserves	Capital Reserves	Operating Reserves	Capital Reserves
Balance at August 31, 2004	$12,374,405	$4,769,738	$420,630	$7,184,037	$3,930,278	$1,308,046	$357,373	$131,322	$307,582	$871,416	$174,178	$103,842	$0	$0
Prior period adjustments (describe)														
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Adjusted Balance,Aug.31, 2004	$12,374,405	$4,769,738	$420,630	$7,184,037	$3,930,278	$1,308,046	$357,373	$131,322	$307,582	$871,416	$174,178	$103,842	$0	$0
Surplus(def) of revenue over expenses	$547,299		$547,299											
Board funded capital transactions		$698,801	$0	($698,801)	$0	($500,482)	$0	($29,417)	$0	($168,902)	$0		$0	$0
Direct credits to net assets	$0	$0												
Amortization of capital assets		($2,384,760)	$2,384,760											
Amortization of capital allocations		$1,988,438	($1,988,438)											
Disposal of unsupported capital assets	$0	($195,269)	$82,008	$113,261		$2,558		$203		$110,500		$0		$0
Disposal of supported capital assets (board funded portion)	$0	$0	$0	$0		$0		$0		$0		$0		$0
Debt principal payments (unsupported)		$0	$0											
Net transfers to operating reserves			($574,935)	$574,935	$543,894		$0		$31,041		$0		$0	
Net transfers from operating reserves			$2,872,078	($2,872,078)	($2,771,573)		$0		$0		($100,505)		$0	
Net transfers to capital reserves			($513,053)	$513,053		$332,060		$71,295		$78,951		$30,747		$0
Net transfers from capital reserves			$0	$0		$0		$0		$0		$0		$0
Balance at August 31, 2005	$12,921,704	$4,876,948	$3,230,349	$4,814,407	$1,702,599	$1,142,182	$357,373	$173,403	$338,623	$891,965	$73,673	$134,589	$0	$0

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School Jurisdiction Code: 2305

STATEMENT OF CAPITAL ALLOCATIONS
(SUPPORTED CAPITAL FINANCING ONLY)
for the Year Ended August 31, 2005

(in dollars)

	Deferred Capital Allocations	Unamortized Capital Allocations
Balance at August 31, 20	$2,931,746	$33,720,127
Prior period adjustment	$0	$0
Adjusted balance, August 31, 2004	$2,931,746	$33,720,127
Add:		
Capital allocations from: Infrastructure and Transportation-New/Modernization Projects	$5,694,889	
Other Government of Alberta	$0	
Federal Government and/or First Nations	$0	
Other sources	$0	
Interest earned on provincial government capital allocations	$0	
Other capital grants and donations	$0	
Proceeds on disposal of supported capital assets	$1,600,000	
Insurance proceeds	$0	
Donated capital assets (amortizable, at Fair Market Value)		$0
Transferred in capital assets (amortizable, at Net Book Value)		$0
Current Year Debenture Principal Repayment		$1,693,255
Expended capital allocations - current year	($9,836,569)	$9,836,569
Less:		
Unamortized Capital Allocation affected by a disposal through transfer out		$256,154
Capital allocations amortized to revenue		$1,988,438
Balance at August 31, 2005	$390,066	$43,005,359

PARKLAND SCHOOL DIVISION NO. 70

Notes to the Financial Statements
Year Ended August 31, 2005

1. Authority and Purpose

Parkland School Division No. 70 delivers education programs under the authority of the School Act, Chapter S3.1, Statues of Alberta, January 1, 2000.

The School Division receives block allocations for Instruction, Support and Capital purposes under Regulation 77/2003. The Regulation limits funding and expenses for administration. It permits the School Division, within specified limits, to reallocate funding between the instruction and support blocks.

2. Summary of Significant Accounting Policies

The financial statements are prepared in accordance with Canadian generally accepted accounting principles and accounting policies consistent with those prescribed by Alberta Education for Alberta school jurisdictions. The precise determination of many assets and liabilities is dependent on future events. As a result, the preparation of financial statements for a period involves the use of estimates and approximations. The financial statements have, in management's opinion, been prepared within reasonable limits of materiality and within the framework of the significant accounting policies summarized below:

Revenue Recognition

Revenue from the Provincial and Federal governments for instruction and support is recognized in the year to which they relate.

Instruction and transportation fees are recognized when the services are provided.

Unrestricted contributions are recognized as revenue when received and receivable.

Capital allocations from the province or other agencies are recorded as deferred capital contributions until spent. Once spent, they are transferred to unamortized capital allocations which are amortized to revenue on the same basis as the capital asset acquired by the grant.

School Generated Funds

Funds generated from school based activities are included as assets, liabilities, revenues and expenses of the School Division because the accountability and control/ownership of these funds rests with School Division officials or their appointee(s).

Property and Equipment

Property and equipment are recorded at cost and amortized over their estimated useful lives on a straight line basis at the following rates:

Buildings	2.5% to 4%
Equipment	20%
Vehicles	10% and 20%

Only property and equipment with costs in excess of $5,000 are capitalized. Any capital allocations received for asset additions are amortized over the same period as the related asset.

Contributed Services

Volunteers assist schools operated by the School Division in carrying out certain activities. Because of the difficulty of determining their fair value and of the fact that such assistance is generally not otherwise purchased, contributed services are not recognized in the financial statements.

Pensions

Pension costs included in these statements comprise the cost of employer contributions for current service of employees during the year.

The current service and past service costs of the Alberta Teacher Retirement Fund are met by contributions by active members and the Government of Alberta. Under the terms of the Teachers Pension Plan Act, the Parkland School Division No. 70 does not make pension contributions for certificated staff.

The School Division participates in the multi-employer pension plan, Local Authorities Pension Plan. At August 31, 2005, the School Division's expense for this pension plan is equivalent to the annual contributions of $842,177 (2004 - $722,443).

At December 31, 2004, the Local Authorities Pension Plan reported an actuarial deficiency of $1,288,924,000 (2003 deficiency of $1,453,487,000).

Financial Instruments

The School Division's financial instruments consist of cash, accounts receivable, accounts payable and accruals and long-term debt. It is management's opinion that the division is not exposed to significant interest, currency or credit risks arising from these financial instruments. Unless otherwise noted, the fair values of these financial instruments approximate their carrying values. The School Division has invested surplus funds in accordance with Section 60 of the *School Act* and Section 5 of the Trustees Act.

Reserves

Reserves created by authorization of the Board of Trustees represent allocations for future capital expenditures and future operating expenses. The reserves are established and expended in accordance with terms and conditions established by the Board of Trustees.

PARKLAND SCHOOL DIVISION NO. 70

Notes to the Financial Statements

Year Ended August 31, 2005

3. Accounts Receivable

	2005	2004
Provincial government	$ 2,664,229	$ 2,063,971
Federal government/First nations	270,594	182,852
Municipalities	1,604,840	2,896
Other school divisions	21,149	10,515
Other	443,520	128,351
	$ 5,004,332	**$ 2,388,585**

4. Trust Assets and Liabilities

	2005	2004
Endowment funds for scholarships	$ 90,518	$ 96,105
Deferred salary leave plan	355,168	456,922
	$ 445,686	**$ 553,027**

5. Property and Equipment

			2005	2004
	Cost	Accumulated Amortization	Net Book Value	Net Book Value
Land	$ 4,205,583	-	$ 4,205,583	$ 4,205,583
Buildings	84,108,125	35,636,763	48,471,362	41,240,808
Equipment	4,814,890	3,787,660	1,027,230	746,946
Vehicles	861,976	478,552	383,424	195,075
	$93,990,574	**$39,902,975**	**$54,087,599**	**$46,388,412**

6. Accounts Payable

	2005	2004
Provincial government	$ 344,455	$ 447,210
Federal government/First nations	618,419	584,560
Other	2,007,284	1,902,922
	$ 2,970,158	**$ 2,934,692**

7. Deferred Revenue

	2005	2004
Alberta Education	$ 29,378	$ 48,823
Alberta Infrastructure	165,690	-
Other	376,574	509,446
	$ 571,642	**$ 558,269**

8. Deferred Capital Contributions and Unamortized Capital Allocations

	2005		2004	
	Deferred Capital Contributions	Unamortized Capital Allocations	Deferred Capital Contributions	Unamortized Capital Allocations
Balance, beginning of year	$ 2,931,746	$33,720,127	$ 11,205	$32,243,345
Government grants (Note 12)	5,694,889	-	4,419,972	-
Interest on government grants	-	-	18,342	-
Proceeds on disposal of supported capital assets	1,600,000	-	-	-
Expended on property and equipment	(9,836,569)	9,836,569	(1,517,773)	1,517,773
Debt retirement (Note 12)	-	1,693,255	-	1,766,713
Unamortized capital allocation affected by a disposal through transfer out	-	(256,154)	-	-
Amortization of capital assets acquired from capital contributions	-	(1,988,438)	-	(1,807,704)
Balance, end of year	**$ 390,066**	**$43,005,359**	**$ 2,931,746**	**$33,720,127**

9. Long-term Debt

The debenture debt bears interest at rates varying between 6% and 12%. The debenture debt is fully supported by Alberta Finance. The current portion of long-term debt consists entirely of amounts payable by Alberta Finance.

	2005	2004
Debentures	$ 6,205,292	$ 7,898,547
Less current portion	1,692,495	1,693,255
	$ 4,512,797	**$ 6,205,292**

Debenture principle and interest amounts due in each of the next five years are as follows:

	Principal	Interest	Total
2006	1,692,495	672,493	2,364,988
2007	1,280,663	479,370	1,760,033
2008	910,240	335,549	1,245,789
2009	658,151	235,651	893,802
2010	505,351	165,916	671,267
2011 and thereafter	1,158,392	240,780	1,399,172
	$ 6,205,292	**$ 2,129,759**	**$8,335,051**

Cash interest paid during the year by the School Division was $865,710 (2004 - $1,064,824).

10. School Generated Funds

	2005	2004
Balance, beginning of year	$ 713,330	$ 443,186
Source of Net School Generated Funds (SGF)	914,707	672,375
Net SGF available for discretionary spending	1,628,037	1,115,561
Net Less: net SGF expended for the year	(413,900)	(402,231)
Balance, end of year	**$ 1,214,137**	**$ 713,330**

11. Reserves

	Balance, beginning of year	Appropriated during the year	Utilized during the year	Balance, end of year
Operating				
School instructional	$ 3,930,278	$ 543,894	$ 2,771,573	$ 1,702,599
System administration	307,582	31,041	-	338,623
Operation & maintenance	357,373	-	-	357,373
Transportation	174,178	-	100,505	73,673
	4,769,411	**574,935**	**2,872,078**	**2,472,268**
Capital				
Land	29,194	-	-	29,194
Buildings	573,960	192,959	108,151	658,768
Equipment	1,603,620	252,490	340,931	1,515,179
Vehicles	207,852	180,865	249,719	138,998
	2,414,626	**626,314**	**698,801**	**2,342,139**
TOTAL	**$ 7,184,037**	**$ 1,201,249**	**$ 3,570,879**	**$ 4,814,407**

12. Allocations from the Province of Alberta

Allocations from the Province of Alberta are summarized as follows:

	2005	2004
Operating allocations:		
Alberta Education	$63,643,456	$57,835,557
Alberta Finance	762,940	959,616
Alberta Infrastructure		
IMP and portable relocation	612,950	1,175,857
Operation & maintenance	3,336,931	6,133,603
Other	130,776	149,856
	68,487,053	**66,254,489**
Capital allocations:		
Contribution to repayment of debt	1,693,255	1,766,713
Capital contribution	5,694,889	4,419,972
	$75,875,197	**$72,441,174**

13. Program Expenses

	2005 Budget (Note 18)	2005 Actual	2004 Actual
Early childhood services	1,662,796	1,993,537	2,458,894
Student instruction	54,594,066	52,389,526	48,977,014
Operation and maintenance	9,307,980	9,197,906	9,616,980
Student transportation	6,577,763	6,674,578	6,438,558
Board/system administration	2,607,361	2,731,811	2,415,821
External services	604,147	1,113,549	1,026,879
School generated funds (Note 10)	440,102	413,900	402,231
	$75,794,215	**$74,514,807**	**$71,336,377**

14. Disclosure of Salaries and Benefits

	Number	Salaries and Wages	Benefits and Allowances	Total
Chairman of the board	1	$ 19,052	$ 3,849	$ 22,901
Other board members	6	79,986	11,630	91,616
Superintendent	1	136,560	8,900	145,460
Secretary Treasurer	1	136,479	11,195	147,674
Salaries - Certificated	503	35,092,409	4,043,158	39,135,567
Salaries - Non-certificated	488	11,344,889	2,758,734	14,103,623
	1,000	**$46,809,375**	**$ 6,837,466**	**$53,646,841**

15. Commitment

The School Division is committed under non-cancelable operating leases for equipment in the amount of $99,572 payable over the next year.

16. Economic Dependence on Related Third Party

The School Division's primary source of income is from the Alberta Government. The School Division's ability to continue viable operations is dependent on this funding.

17. Contingencies

The School Division is a member of the Alberta Local Authorities Reciprocal Insurance Exchange. Under the terms of membership, the School Division could become liable for its proportionate share of any claim losses in excess of the funds held by the exchange. Any liability incurred will be accounted for as a current transaction in the year the losses are determined.

18. Budget Amounts

The budget was prepared by the School Division management with the Board of Trustees approval given on June 15, 2005. A revised budget based on student enrolments at September 30, 2005 is presented in these statements for information purposes only and has not been audited.

SCHEDULE A to the AFS
ALLOCATION OF REVENUES AND EXPENSES TO PROGRAMS - 2004-2005

School Jurisdiction Cod 2305

	REVENUES	TOTAL	ECS to Grade 12 Instruction	Operations and Maintenance of Schools & Maintenance Shops	Transportation	Board & System Admin.	External Services
(1)	**Alberta Education Revenues**	$63,643,456	$51,924,051	$2,383,523	$6,323,760	$2,492,981	$519,121
	Alberta Infrastructure and Transportation						
(2)	Infrastructure Maintenance Program & Portable Relocations support	$612,950	$0	$612,950			
(3)	Regular Operations & Maintenance support	$3,336,932		$3,336,932			
(4)	Other support	$0	$0	$0			
(5)	**Total Alberta Infrastructure and Transportation Revenues**	$3,949,882	$0	$3,949,882			
(6)	**Alberta Finance**	$762,940		$762,940			
(7)	**Other - Government of Alberta**	$130,776	$130,776	$0	$0		$0
(8)	**Federal Government and/or First Nations**	$1,119,953	$960,203	$114,952	$0	$44,798	$0
(9)	**Other Alberta school authorities**	$60,521	$39,354	$0	$21,167	$0	$0
(10)	**Out of province authorities**	$0	$0	$0	$0	$0	$0
(11)	**Alberta municipalities** (excl. supplementary requisitions)	$35,907	$0	$0	$0	$0	$35,907
(12)	**Instruction resource fees**	$1,049,968	$1,049,968				
(13)	**Transportation fees**	$114,595			$114,595		
(14)	**Other sales and services**	$1,451,294	$664,534	$74,394	$94,133	$59,712	$558,521
(15)	**Investment income**	$264,775	$201,229	$29,125	$23,850	$10,591	$0
(16)	**Gifts and donations**	$0	$0	$0	$0		$0
(17)	**Rentals of facilities**	$2,940	$0	$2,940	$0	$0	$0
(18)	**Net school generated funds**	$413,900	$413,900			$0	
(19)	**Gains on disposal of capital assets**	$72,762	$2,559	$203	$0	$70,000	$0
(20)	**Amortization of capital allocations**	$1,988,438	$0	$1,988,438	$0		$0
(21)	**TOTAL REVENUES**	$75,062,106	$55,386,574	$9,306,396	$6,577,505	$2,678,082	$1,113,549
	EXPENSES						
(22)	**Certificated salaries**	$35,228,969	$34,745,553			$483,416	$0
(23)	**Certificated benefits**	$4,052,058	$4,021,805			$30,253	$0
(24)	**Uncertificated salaries and wages**	$11,580,405	$7,462,575	$2,615,528	$291,797	$997,650	$212,855
(25)	**Uncertificated benefits**	$2,785,409	$1,822,900	$657,960	$69,129	$203,019	$32,401
(26)	**SUB - TOTAL**	$53,646,841	$48,052,833	$3,273,488	$360,926	$1,714,338	$245,256
(27)	**Services, contracts & supplies**	$16,283,289	$5,934,338	$3,344,121	$6,222,992	$781,838	$0
(28)	**Cost recoveries & charges to programs**	$868,293	$209,093	($274,353)	$63,346	$1,914	$868,293
(29)	**Net school generated funds**	$413,900	$413,900				
	Capital and debt services						
	Amortization of capital assets						
(30)	Supported	$1,988,438	$0	$1,988,438	$0	$0	$0
(31)	Unsupported	$396,322	$185,856	$100,768	$30,746	$78,952	$0
(32)	Total Amortization	$2,384,760	$185,856	$2,089,206	$30,746	$78,952	$0
	Interest on capital debt						
(33)	Supported	$762,955	$0	$762,955	$0	$0	$0
(34)	Unsupported	$0	$0	$0	$0	$0	$0
(35)	Other interest charges	$0	$0	$0	$0	$0	$0
(36)	Losses on disposal of capital assets	$154,769	$0	$0	$0	$154,769	$0
(37)	**TOTAL EXPENSES**	$74,514,807	$54,796,020	$9,195,417	$6,678,010	$2,731,811	$1,113,549
(38)	**SURPLUS (DEFICIT) BEFORE EXTRAORDINARY ITEM**	$547,299	$590,554	$110,979	($100,505)	($53,729)	$0

School Jurisdiction Code: 2305

SCHEDULE B to the AFS
ALBERTA EDUCATION REVENUES 2004-2005

	TOTAL
Base Funding	
Early Childhood Services (ECS)	$1,556,214
Base Instruction (Gr 1-12)	$43,116,003
Outreach Programs	$156,060
Home Education	$17,374
Differential Cost Funding *	$6,451,650
Other Provincial Support	
Institutional Programs	$123,111
Regional Consortium (6 boards) and Regional Educational Consulting Services (4 boards)	$519,121
Learning Resources Credit	$70,366
Federal French Funding	$70,531
Provincial Priority Targeted Funding	
Class Size Initiative	$1,378,313
Student Health Initiative (SHI)	$40,332
Alberta Initiative for School Improvement (AISI)	$1,150,173
High Speed Networking	$45,764
Children and Youth with Complex Needs	$0
Other Alberta Education Revenues (describe): Transp, O&M, Classroom resources, Videoconferencing, Microsoft rebate	$8,948,444
Total Alberta Education Revenues	$63,643,456

* Differential Cost Funding is based on distribution formulas designed to address variable cost factors and incremental costs associated with other variables and specific student populations. Included in differential cost funding are allocations for students with severe disabilities, English as a second language students, Francisation and support services for immigrant students, aboriginal students, gifted & talented early childhood services children and those with mild or moderate or severe disabilities, the percentage of the student population experiencing low socio-economic status, small schools by necessity, intra-jurisdiction distances, year to year enrolment fluctuations, small school board administration, schools located in the north, boarding, transportation, stabilization of funding, and cost differences among school jurisdictions for purchasing goods and services

School Jurisdiction Code: 2305

SCHEDULE C the AFS

ECS to Grade 12 INSTRUCTION PROGRAMS Expense Details - 2004-2005

SUB-PROGRAMS & INITIATIVES	ECS to GRADE 12 Instruction						
	Certificated Remuneration	Uncertificated Remuneration	Services, Contracts & Supplies [1]	Learning Resources	Cost Recoveries & Transfers	Other Expenses [2]	TOTAL EXPENSES
School Administration & All Instruction Support	$4,639,031	$3,544,994	$1,188,913		($51,585)	$0	$9,321,353
Mild & Moderate Disabilities/Gifted & Talented (ECS-12)	$1,303,580	$1,861,142	$19,374		$0		$3,184,[illegible]6
ECS Program Unit (PUF)	$195,515	$677,302	$115,995		$0		$988,812
Severe Disabilities (Gr 1-12)	$964,828	$1,877,036	$96,447		$0		$2,938,311
English as a Second Language	$14,382	$2,876	$1,918		$0		$19,176
French Language Program & Francisation (all jurisdictions)	$52,898	$10,580	$7,053		$0		$70,531
First Nations, Metis and Inuit Education (ECS - Gr 12)	$348,075	$69,615	$46,410		$0		$464,100
Home Education	$0	$4,833	$5,659		$153		$10,645
Institutional Programs	$89,871	$25,563	$16,347		$1,256		$133,037
Alberta Initiative for School Improvement	$1,121,123	$0	$57,000	$0	$0		$1,178,123
Student Health Initiative	$0	$0	$40,332		$0		$40,332
High Speed Networking			$45,764		$0		$45,764
Class Size	$1,378,313	$0	$0	$0	$0		$1,378,313
Children and Youth with Complex Needs (ECS - Gr 12)	$0	$0	$0		$0		$0
All Other Student Instruction Expenses (ECS - Gr 12)	$28,659,742	$1,208,532	$1,981,922	$2,314,207	$259,268	$599,756	$35,023,427
TOTAL EXPENSES	$38,767,358	$9,282,473	$3,623,134	$2,314,207	$209,092	$599,756	$54,796,020

FULL-TIME-EQUIVALENCIES (Board/Contract)	FTE Certificated	FTE Uncertificated
Mild & Moderate Disabilities/Gifted & Talented (ECS - Gr 12	16.7	73.9
ECS Program Unit (PUF)	2.5	26.9
Severe Disabilities (Gr 1-12)	12.4	74.5

Note 1 Excludes Learning Resources

Note 2 Includes Net School Generated Funds, Amortization, Interest, and Losses on Disposal of Instruction Program Capital Assets

School Jurisdiction Code: 2305

SCHEDULE D to the AFS
CALCULATION OF MAXIMUM ELIGIBLE EXPENSE LIMIT FOR BOARD (GOVERNANCE) AND SYSTEM ADMINISTRATION - 2004-2005

TOTAL EXPENSES	**$74,514,807**

STEP 1

Calculation of maximum expense limit PERCENTAGE for Board and System Administration expenses

If "Total Net Enrolled Students" are 6,000 and over	= 4%	**4.00%**
If "Total Net Enrolled Students" are 2,000 and less	= 6%	

The Maximum Expense Limit for Board and System Administration is based on an arithmetical proration for the TOTAL FTE count for grades 1 -12, net of Home Education AND Adult students, between 2,000 to 6,000 at .0005 per FTE.

EXAMPLE: 4,500 FTE count grades 1-12 = 6,000 - 4,500 = 1,500 X .0005 = .75% plus 4% = maximum expense limit of 4.75%.

Note: Calculation unnecessary if Total FTE is 6,000 or more, and 2,000 & less.

STEP 2

Calculate maximum expense limit AMOUNTS for Board and System Administration expenses

Maximum Expense Limit percentage (Step 1) x TOTAL EXPENSES		$2,980,592
Considerations for Charter Schools and Small School Boards:		
If **Charter School**, enter $56,100	$0	$0
If **School Board**, please enter your 04-05 Gr 1- 12 funded enrolment	0	
	$0	$0
MAXIMUM EXPENSE LIMIT		**$2,980,592**

STEP 3

Compare maximum expense limit amounts calculated in Step 2 to actual expenses (from Schedule A)

Actual Board Governance & System Administration expenses	$2,731,811
PLUS: transfers to Restricted - Operating (Board/System Administration)	$31,041
LESS: transfers from Restricted - Operating (Board/System Administration)	$0
TOTAL BOARD GOVERNANCE & SYSTEM ADMINISTRATION EXPENSES	$2,762,852
MAXIMUM EXPENSE LIMIT	$2,980,592
ACTUAL EXPENSES - OVER(UNDER) MAXIMUM EXPENSE LIMIT	-$217,740

School Jurisdiction Code: 2305

SCHEDULE E to the AFS
SOURCE & APPLICATION OF SCHOOL GENERATED FUNDS (SGF) - 2004-2005

Unexpended SGF - Opening Balance August 31, 2004 (Note 1)				$713,330
Source of Net School Generated Funds:	**Gross SGF**	**Related Expenses**	**Net SGF**	
Fundraising activities	$1,511,478	$1,169,689	$341,789	
Student fees (Non-Instructional) (Note 2)	$702,480		$702,480	
Donations and grants to schools	$2,649		$2,649	
Other (describe): Bank charges, interest,GST rebate, staff act	$658,370	$790,581	($132,211)	
Net Additions to SGF	$2,874,977	$1,960,270		$914,707
Net SGF Available for Discretionary Spending				$1,628,037
Application of Net School Generated Funds:				
Extra-curricular activities			$221,243	
School beautification			$19,802	
Field Trips			$85,453	
Equipment			$27,684	
Family literacy and other community resources			$4,139	
Other (describe): Recognition,charitable donations, bottled water, coffee supplies			$55,579	
Net SGF Expended for Discretionary Purposes (Note 3)				$413,900
Unexpended SGF - Closing Balance August 31, 2005 (Note 4)				$1,214,137

School Generated Funds (SGF) are funds raised in the community for student activities that come under the control and responsibility of school management. These funds are usually collected and retained at the school for expenditures paid at the school level. SGF does not include fees with respect to instructional supplies or materials collected pursuant to Section 60(2)(j) of the *School Act*, and any other funds collected at the school but remitted to central office and accounted for by the jurisdiction (facility rentals, capital assets purchases, etc.)

Note 1 Input "(Restated)" beside Balance at August 31, 2004 where not taken from the finalized 2003-2004 Audited Financial Statements

Note 2 Excludes fees collected pursuant to Section 60(2)(j) of the School Act (fees with respect to instructional supplies or materials - essentially textbooks, resource materials in lieu of textbooks, media, software, and materials for classrooms) Amounts collected for CEU-related activities are recorded as instruction resource fees, not SGF

Note 3 Net SGF Expended for Discretionary Purposes is recorded as revenue and expense in the Statement of Revenues & Expenses

Note 4 Unexpended SGF is carried forward to the Statement of Financial Position

School Jurisdiction Code: 2305

SCHEDULE F to the AFS
Operations and Maintenance Program Expenses - 2004-2005

EXPENSES	Custodial	Maintenance	Utilities and Telecommunications	Expensed Mod./I.M.P. & Portable Relocations	Facility Planning & Operations Administration	SUB-TOTAL Operations & Maintenance	Supported Capital & Debt Services	TOTAL Operations and Maintenance
Uncertificated salaries and wages	$1,793,867	$524,299	$0	$0	$297,362	$2,615,528		$2,615,528
Uncertificated benefits	$462,280	$131,790	$0	$0	$63,890	$657,960		$657,960
Sub-total Remuneration	$2,256,147	$656,089	$0	$0	$361,252	$3,273,488		$3,273,488
Contracted Services	$0	$801,120	$0	$612,951	$20,515	$1,434,586		$1,434,586
Supplies	$132,021	$410,121	$0	$0	$0	$542,142		$542,142
Electricity			$589,884			$589,884		$589,884
Natural Gas/Heating Fuel			$550,806			$550,806		$550,806
Sewer and Water			$63,445			$63,445		$63,445
Telecommunications			$15,732			$15,732		$15,732
Insurance					$147,526	$147,526		$147,526
Amortization of capital assets								
Supported							$1,988,438	$1,988,438
Unsupported						$100,768		$100,768
Total Amortization						$100,768	$1,988,438	$2,089,206
Interest on capital debt								
Supported							$762,955	$762,955
Unsupported				$0				$0
Other interest charges						$0		$0
Losses on disposal of capital assets						$0		$0
Cost recoveries & transfers						($274,353)		($274,353)
TOTAL EXPENSES	$2,388,168	$1,867,330	$1,219,867	$612,951	$529,293	$6,444,024	$2,751,393	$9,195,417
SQUARE METRES								
School Buildings								103,253.3
Non School Buildings								0.0
UNCERTIFICATED FTE'S (Board/Contract)	51.6	13.0						

Notes:

Custodial:	All expenses related to activities undertaken to keep the school environment clean and safe
Maintenance:	All expenses associated with the repair, replacement and minor construction of buildings, grounds and equipment components. This includes regular and preventative maintenance undertaken to ensure components reach or exceed their life cycle and the repair of broken components
Utilities & Telecommunications:	All expenses related to electricity, natural gas and other heating fuels, sewer and water and all forms of telecommunications
Expensed Block Mod/I.M.P. & Portable Relocations:	All expenses associated with non-capital activites related to Block Modernization, Infrastructure Maintenance Programs (AKA Building Quality Restoration Program) and portable relocations
Facility Planning & Operations Administration:	All expenses related to the administration of operations and maintenance including (but not limited to) contract administration, clerical functions, negotiations, supervision of employees and contractors, administration of capital projects (including new schools, I.M.P., block modernization and portable relocations), administration of joint-use agreements, and all expenses related to ensuring compliance with health and safety statndards, codes and government regulations
Supported Capital & Debt Services:	All expenses related to supported capital assets amortization and interest on supported capital debt

School Jurisdiction Code: 2305

SCHEDULE G to the AFS
DISCLOSURE OF SALARIES AND BENEFITS - 2004-2005
(SECTION 148.1 OF THE SCHOOL ACT)

		FTEs	Remuneration	Benefits	Allowances	Performance Bonuses	ERIP's / Other	Total	Expenses
Chairperson:									
Name	Grace Gruber	1.0	$19,052	$3,849	$0			$22,901	$10,616
Name		0.0	$0	$0	$0			$0	$0
Other Board Members:									
Name	Marie Ansley	1.0	$12,154	$4,526	$0			$16,680	$4,909
Name	Jeanette Smith	1.0	$15,124	$1,756	$0			$16,880	$7,236
Name	Sharon Cornelius	1.0	$12,401	$468	$0			$12,869	$3,929
Name	Judy Kesanko	0.2	$1,641	$221	$0			$1,862	$0
Name	Kimperly Leenders	0.8	$10,314	$340	$0			$10,654	$4,376
Name	Sherry Waddle	1.0	$16,068	$3,753	$0			$19,821	$6,070
Name	Irene Goebel	0.8	$10,707	$344	$0			$11,051	$6,168
Name	Lori Briggs-Benner	0.2	$1,577	$222	$0			$1,799	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Subtotal		*7.0*	*$99,038*	*$15,479*	*$0*			*$114,517*	*$43,304*
Superintendent	Mary Lynne Campbell	1.0	$136,560	$8,900	$0	$0	$0	$145,460	$10,205
Superintendent		0.0	$0	$0	$0	$0	$0	$0	$0
Secretary/Treasurer	Tom Olson	1.0	$136,479	$11,195	$0	$0	$0	$147,674	$6,440
Secretary/Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Board Secretary		0.0	$0	$0	$0	$0	$0	$0	$0
Board Secretary		0.0	$0	$0	$0	$0	$0	$0	$0
Board Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Board Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Certificated Salaries		503.0	$34,904,722	$4,043,158	$0		$187,687	$39,135,567	
Uncertificated Salaries & Wages		488.0	$11,246,192	$2,758,734		$0	$98,697	$14,103,623	
TOTALS			**$46,522,991**	**$6,837,466**	**$0**	**$0**	**$286,384**	**$53,646,841**	

Note: Please refer to completion information on page 15

School Jurisdiction Code 1070

AUDITED
FINANCIAL STATEMENTS
and Supporting Schedules
FOR THE YEAR ENDED AUGUST 31, 2005

[School Act, Sections 147(2)(a), 148, 151(1) and 276]

PEACE RIVER SCHOOL DIVISION #10
Legal Name of School Jurisdiction

10018-101 STREET, PEACE RIVER, ALBERTA T8S 2A5
Mailing Address

Phone (780) 624-3601 Fax (780) 624-5941
Telephone and Fax Numbers

SCHOOL JURISDICTION MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The financial statements and supporting schedules PEACE RIVER SCHOOL DIVISION #10 (Name of School Jurisdiction) presented to Alberta Learning have been prepared by school jurisdiction management which has responsibility for their preparation, integrity and objectivity. The financial statements and schedules, including notes, have been prepared in accordance with generally accepted accounting principles and Ministerial requirements for Alberta school jurisdictions.

In fulfilling its reporting responsibilities, management has maintained internal control systems and procedures designed to provide reasonable assurance that the school jurisdiction's assets are safeguarded, that transactions are executed in accordance with appropriate authorization and that accounting records may be relied upon to properly reflect the school jurisdiction's transactions. The effectiveness of the control systems is supported by the selection and training of qualified personnel, an organizational structure that provides an appropriate division of responsibility and a strong budgetary system of control.

Board of Trustees Responsibility
The ultimate responsibility for the financial statements lies with the Board of Trustees. The Board reviewed the financial statements with management in detail and the Board approved the financial statements for release.

External Auditors
The Board appoints external auditors to audit the financial statements and meets with the auditors to review their findings. The external auditors have full and free access to school jurisdiction records.

Declaration of Management and Board Chairman
To the best of our knowledge and belief, these financial statements and supporting schedules reflect, in all material respects, the financial position and results of operations and cash flows for the year in accordance with generally accepted accounting principles and Ministerial requirements for Alberta school jurisdictions.

BOARD CHAIRMAN

Bonnie Paulovich
Name

"ORIGINAL SIGNED"
Signature

SUPERINTENDENT

Greg Woronuk
Name

"ORIGINAL SIGNED"
Signature

SECRETARY TREASURER OR TREASURER

Bruce Moltzan
Name

"ORIGINAL SIGNED"
Signature

15-Nov-05
Board-approved Release Date

c.c. **ALBERTA EDUCATION, School Reporting Branch,**
8th Floor Commerce Place, 10155-102 Street, Edmonton AB T5J 4L5
EMAIL: Cindy.Jarry@gov.ab.ca
PHONE: (780) 427-7782 FAX: (780) 422-6996

AUDITOR'S REPORT

To the Board of Trustees of
Peace River School Division No. 10:

We have audited the statement of financial position of the Peace River School Division No. 10 as at August 31, 2005 and the statement of revenues and expenses, the statement of cash flows, the statement of changes in net assets, and the statement of deferred capital allocations for the year then ended. These financial statements are the responsibility of the Division's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the Division as at August 31, 2005 and the results of its operations and changes in its financial position for the year then ended in accordance with generally accepted accounting principles.

Our audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplementary information included in Schedules A through G is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such supplementary information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

'Original Signed'
Geoffrey Davidge

Chartered Accountants
Edmonton, Alberta
October 28, 2005

School Jurisdiction Code: 1070

STATEMENT OF FINANCIAL POSITION

as at August 31, 2005

(in dollars)

		2005	2004
ASSETS			
Current assets			
Cash and temporary investments		$6,921,319	$3,895,082
Accounts receivable (net after allowances)		$12,771,007	$2,834,884
Prepaid expenses		$71,118	$219,849
Other current assets		$211,054	$190,145
Total current assets		$19,974,497	$7,139,960
School generated assets		$570,934	$503,121
Trust assets		$219,587	$162,209
Long term accounts receivable		$20,682	$36,540
Long term investments		$0	$0
Capital assets			
Land		$1,939,550	$1,939,550
Buildings	$50,934,387		
Less: accumulated amortization	($25,957,705)	$24,976,682	$25,390,044
Equipment	$980,886		
Less: accumulated amortization	($731,469)	$249,417	$174,464
Vehicles	$6,351,486		
Less: accumulated amortization	($3,910,492)	$2,440,994	$2,445,366
Total capital assets		$29,606,642	$29,949,424
TOTAL ASSETS		$50,392,341	$37,791,254
LIABILITIES			
Current liabilities			
Bank indebtedness		$0	$0
Accounts payable and accrued liabilities		$1,491,313	$1,173,467
Deferred revenue		$13,558,669	$2,002,699
Deferred capital allocations		$66,961	$156,623
Current portion of all long term debt		$1,080,084	$1,123,704
Total current liabilities		$16,197,028	$4,456,493
School generated liabilities		$570,934	$503,121
Trust liabilities		$219,587	$162,209
Employee future benefits liability		$0	$0
Long term payables and accrued liabilities		$0	$0
Long term debt			
Supported: Debentures and other supported debt		$7,179,417	$8,259,501
Less: Current portion of supported debt		($1,080,084)	($1,123,704)
Unsupported: Debentures and Capital Loans		$0	$0
Capital Leases		$0	$0
Mortgages		$0	$0
Less: Current portion of unsupported debt		$0	$0
Unamortized capital allocations		$16,267,352	$15,741,569
Total long term liabilities		$23,157,206	$23,542,696
TOTAL LIABILITIES		$39,354,234	$27,999,189
NET ASSETS			
Unrestricted net assets		$1,889,892	$912,798
Operating Reserves		$570,161	$572,747
Accumulated Operating Surplus (Deficit)		$2,460,052	$1,485,545
Investment in capital assets		$6,159,873	$5,948,352
Capital Reserves		$2,418,183	$2,358,169
Total Capital Funds		$8,578,056	$8,306,521
Total net assets		$11,038,108	$9,792,066
TOTAL LIABILITIES AND NET ASSETS		$50,392,342	$37,791,255

Note: Input "(Restated)" in 2004 column heading where comparatives are not taken from the finalized 2003-2004 Audited Financial Statements.

School Jurisdiction Code: 1070

STATEMENT OF REVENUES AND EXPENSES

for the Year Ended August 31, 2005

(in dollars)

	Actual 2005	Budget 2005	Actual 2004
REVENUES			
Government of Alberta	$32,103,305	$31,876,535	$29,378,983
Federal Government and/or First Nations	$185,486	$87,854	$67,107
Other Alberta school authorities	$0	$242,973	
Out of province authorities	$0	$0	
Alberta Municipalities (excluding supplementary requisitions)	$0	$0	
Instruction resource fees	$236,467	$227,253	$281,526
Transportation fees	$20,916	$30,000	$24,192
Other sales and services	$392,576	$332,045	$409,386
Investment income	$162,531	$1,200	$93,439
Gifts and donations	$42,145	$0	$12,518
Rentals of facilities	$76,371	$107,275	$73,338
Net school generated funds	$269,752	$415,168	$269,400
Gains on disposal of capital assets	$12,800	$0	$19,302
Amortization of capital allocations	$1,796,649	$1,554,465	$1,588,508
Total Revenues	$35,298,997	$34,874,768	$32,217,700
EXPENSES			
Certificated salaries	$14,018,834	$14,259,691	$13,747,227
Certificated benefits	$1,383,114	$1,542,200	$1,389,411
Uncertificated salaries and wages	$6,870,880	$6,507,952	$6,512,479
Uncertificated benefits	$989,571	$1,192,460	$876,581
Services, contracts and supplies	$7,492,517	$8,250,101	$6,945,325
Net school generated funds	$269,752	$415,168	$269,400
Capital and debt services			
Amortization of capital assets			
Supported	$1,609,847	$1,554,465	$1,588,508
Unsupported	$592,472	$539,009	$564,966
Total Amortization of capital assets	$2,202,319	$2,093,474	$2,153,474
Interest on capital debt			
Supported	$811,647	$946,292	$929,998
Unsupported	$0	$0	$0
Total Interest on capital debt	$811,647	$946,292	$929,998
Other interest charges	$10,396	$2,900	$0
Losses on disposal of capital assets	$3,925	$0	$4,760
Total Expenses	$34,052,955	$35,210,238	$32,828,656
SURPLUS (DEFICIT) OF REVENUES OVER EXPENSES BEFORE EXTRAORDINARY ITEM	$1,246,042	($335,470)	($610,956)
Extraordinary Item	$0	$0	
SURPLUS (DEFICIT) OF REVENUES OVER EXPENSES	$1,246,042	($335,470)	($610,956)

Note: Input "(Restated)" in Budget 2005 and/or Actuals 2004 column headings where comparatives are not taken from the respective finalized 2004-2005 Budget Report and/or finalized 2003-2004 Audited Financial Statements

School Jurisdiction Code: 1070

STATEMENT OF CASH FLOWS

for the Year Ended August 31, 2005

(in dollars)

	2005	2004
CASH FLOWS FROM:		
A. OPERATIONS		
Surplus (deficit) of revenues over expenses for the year	$1,246,042	($430,492)
Add (Deduct) items not requiring cash		
Amortization of capital allocations revenue	($1,796,649)	($1,588,508)
Total amortization expense	$2,202,319	$2,153,474
Gains on disposal of capital assets	($12,800)	($19,302)
Losses on sale of capital assets	$3,925	$4,760
Changes in accrued accounts		
Accounts receivable	($9,936,123)	$846,007
Prepaids and other current assets	$127,823	$15,795
Long term accounts receivable	$15,859	($15,788)
Long term investments	$0	$0
Payables and accrued liabilities	$317,846	($509,176)
Deferred revenue	$11,555,970	$11,393
Employee future benefit expense (recovery)	$0	$0
Other (describe)	$0	$0
Total sources (uses) of cash from Operations	$3,724,212	$468,163
B. INVESTING ACTIVITIES		
Purchases of capital assets		
Land	$0	$0
Buildings	($1,242,348)	($452,446)
Equipment	($185,743)	($46,897)
Vehicles	($444,369)	($545,856)
Net proceeds from disposal of capital assets	$21,800	$55,500
Other (describe)	$0	$0
Total sources (uses) of cash from Investing activities	($1,850,661)	($989,699)
C. FINANCING ACTIVITIES		
Capital allocations	$1,152,686	$260,414
Issue of long term debt	$0	$0
Repayment of long term debt	($1,080,084)	($1,123,704)
Add back: supported portion	$1,080,084	$1,123,704
Other (describe)	$0	$0
Total sources (uses) of cash from Financing activities	$1,152,687	$260,414
Net sources (uses) of cash during year	$3,026,238	($261,122)
Cash and temporary investments, net of bank indebtedness, at Aug. 31/04	$3,895,082	$4,156,204
Cash and temporary investments, net of bank indebtedness, at Aug. 31/05	$6,921,319	$3,895,082

Note: 1 Input "(Restated)" in 2004 column heading where not taken from the finalized 2003-2004 Audited Financial Statements

2 Cash and temporary investments are net of cash obligations.

STATEMENT OF CHANGES IN NET ASSETS
for the Year Ended August 31, 2005

(in dollars)

School Jurisdiction 1070

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
	TOTAL NET ASSETS Cols 2+3+4	INVESTMENT IN CAPITAL ASSETS	UNRESTRICTED NET ASSETS	TOTAL INTERNALLY RESTRICTED NET ASSETS Cols 5 to 14	INTERNALLY RESTRICTED NET ASSETS									
					School Based		Infrastructure		Board & System Admin.		Transportation		External Services	
					Operating Reserves	Capital Reserves	O& M Operating Reserves	Capital Reserves	Operating Reserves	Capital Reserves	Operating Reserves	Capital Reserves	Operating Reserves	Capital Reserves
Balance at August 31, 2004	$9,792,066	$5,948,352	$912,798	$2,930,916	$302,738	$54,946	$0	$632,759	$128,250	$470,876	$141,759	$1,199,588	$0	$0
Prior period adjustments (describe)														
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Adjusted Balance,Aug.31, 2004	$9,792,066	$5,948,352	$912,798	$2,930,916	$302,738	$54,946	$0	$632,759	$128,250	$470,876	$141,759	$1,199,588	$0	$0
Surplus(def) of revenue over expenses	$1,246,042		$1,246,042											
Board funded capital transactions		$630,115	($630,115)	$0		$0	$0	$0	$0	$0	$0	$0	$0	$0
Direct credits to net assets	$0	$0												
Amortization of capital assets		($2,202,319)	$2,202,319											
Amortization of capital allocations		$1,796,649	($1,796,649)											
Disposal of unsupported capital assets	$0	($12,925)	$12,925	$0		$0		$0		$0		$0		$0
Disposal of supported capital assets (board funded portion)	$0	$0	$0	$0		$0		$0		$0		$0		$0
Debt principal payments (unsupported)		$0	$0											
Net transfers to operating reserves			($197,001)	$197,001	$197,001		$0				$0		$0	
Net transfers from operating reserves			$199,587	($199,587)	($151,015)		$0		($48,572)		$0		$0	
Net transfers to capital reserves			($116,608)	$116,608		$1,648		$43,925		$27,601		$43,434		$0
Net transfers from capital reserves			$56,594	($56,594)		($56,594)		$0		$0		$0		$0
Balance at August 31, 2005	$11,038,108	$6,159,873	$1,889,892	$2,988,344	$348,724	$0	$0	$676,684	$79,678	$498,477	$141,759	$1,243,022	$0	$0

School Jurisdiction Code: 1070

STATEMENT OF CAPITAL ALLOCATIONS
(SUPPORTED CAPITAL FINANCING ONLY)
for the Year Ended August 31, 2005

(in dollars)

	Deferred Capital Allocations	Unamortized Capital Allocations
Balance at August 31, 20	$156,623	$15,741,569
Prior period adjustment	$0	$0
Adjusted balance, August 31, 2004	$156,623	$15,741,569
Add:		
Capital allocations from: Infrastructure and Transportation-New/Modernization Projects	$1,242,348	
Other Government of Alberta	$0	
Federal Government and/or First Nations	$0	
Other sources		
Interest earned on provincial government capital allocations	($89,662)	
Other capital grants and donations	$0	
Proceeds on disposal of supported capital assets	$0	
Insurance proceeds	$0	
Donated capital assets (amortizable, at Fair Market Value)		$0
Transferred in capital assets (amortizable, at Net Book Value)		$0
Current Year Debenture Principal Repayment		$1,080,084
Expended capital allocations - current year	($1,242,348)	$1,242,348
Less:		
Unamortized Capital Allocation affected by a disposal through transfer out		$0
Capital allocations amortized to revenue		$1,796,649
Balance at August 31, 2005	$66,961	$16,267,352

PEACE RIVER SCHOOL DIVISION #10-NOTES TO THE FINANCIAL STATEMENTS-2004-2005

1. AUTHORITY AND PURPOSE

The School Jurisdiction delivers education programs under the authority of the *School Act*, Revised Statutes of Alberta 2000, Chapter S-3.

The jurisdiction receives instruction and support allocations under Regulation 77/2003. The regulation allows for the setting of conditions and use of grant monies. The School Jurisdiction is limited on certain funding allocations and administration expenses.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

These financial statements have been prepared in accordance with Canadian generally accepted accounting principles (GAAP). The precise determination of many assets and liabilities is dependent on future events. As a result, the preparation of financial statements for a period involves the use of estimates and approximations, which have been made using careful judgment. Actual results could differ from those estimates and approximations. The financial statements have, in management's opinion, been properly prepared within reasonable limits of materiality and within the framework of the accounting policies summarized below:

a) Revenue Recognition

Revenue is recognized as follows:

Instruction and support allocations are recognized in the year to which they relate.

Fees for services related to courses and programs are recognized as revenue when such courses and programs are delivered.

Unrestricted contributions are recognized as revenue when received and receivable. Contributions in-kind are recorded at fair market value when reasonably determinable.

Externally restricted contributions are deferred and recognized as revenue in the period in which the restriction is complied with. Endowment contributions are recognized as direct increases in net assets in the period in which they are received or receivable

b) Capital Assets

Capital Assets are recorded at cost. The cost less an estimated residual value is amortized over their estimated useful lives on a straight-line basis at the following rates

Buildings	15 to 40 years
Vehicles & Buses	7 to 12 years
Equipment & Furnishings	5 years
Land Improvements	20 years

Only capital assets with costs in excess of $5,000 are capitalized. Capital allocations received for asset additions are amortized into revenue over the same period as the amortization expense.

c) School Generated Funds
These are funds in the community, which come under the control and responsibility of the school principal and are for school activities. They are usually collected, retained and expended at the school level (e.g. yearbook sales, graduation fees, field trip fees, etc.)

d) Vacation Pay
Vacation Pay is accrued in the period in which the employee earns the benefit.

e) Pensions
Pension costs included in these statements comprise the cost of employer contributions for current service of employees during the year.

The current service and past service costs of the Alberta Teacher Retirement Fund are met by contributions by active members and the Government of Alberta. Under the terms of the Teachers Pension Plan Act, the Peace River School Division does not make pension contributions for certificated staff.

The school board participates in the multi-employer pension plan, Local Authorities Pension Plan, and does not report on any unfunded liabilities. The expense for this pension plan is equivalent to the annual contributions of $ 334,392.23 for the Year ended August 31, 2005. At December 31, 2004, the Local Authorities Pension Plan reported an actuarial deficiency of $1,288,924,000 (2003 deficiency of $1,453,487,000).

f) Inventories
Inventories are recorded at the lesser of cost or net realizable value.

g) Prepaid Expenses
Certain expenditures incurred and paid before the close of the school year are for school supplies, which will be consumed subsequent to the year-end, and are accordingly recorded as prepaid expenses. Certain insurance expenses fall into this category.

h) Contributed Services
Volunteers contribute a considerable number of hours per year to various schools, which are within the school board to ensure that certain programs are delivered, such as kindergarten, lunch services and the raising of school generated funds. Because of the difficulty of compiling these hours and the fact that these services are not otherwise purchased, contributed services are not recognized in the financial statements.

i) Financial Instruments
The jurisdiction's financial instruments consist of cash, accounts receivable, accounts payable, accrued liabilities, and long-term debt. It is management's opinion that the jurisdiction is not exposed to significant interest, currency or credit risks arising from these financial instruments. Unless otherwise noted, the fair values of these financial instruments approximate their carrying values. The jurisdiction has invested surplus funds in accordance with Section 60 of the *School Act* and Section 5 of the Trustees Act.

j) Operating and Capital Reserves
Reserves are established at the discretion of the Board of Trustees of the jurisdiction, to set aside funds for operating and capital purposes. Such reserves are appropriations of unrestricted net assets

k) Investments
Short term Investments are valued at the lower of cost or market. Long term investments are valued at cost or, where there has been other than a temporary impairment in the value of the investment, at market value.

3. ACCOUNTS RECEIVABLE

	2005	2004
Alberta Learning	687,079	201,125
Alberta Infrastructure	11,364,484	1,821,998
Alberta Finance	444,529	509,104
Other Province of Alberta	8,818	25,128
Federal Government	91,329	113,867
First Nations		
Alberta Municipalities		
Other Alberta School Jurisdictions		
Other	174,768	163,662
Total	12,771,007	2,834,884

4. ACCOUNTS PAYABLE AND LIABILITIES

	2005	2004
Alberta Learning		37,926
Alberta Infrastructure		
Alberta Finance	444,529	509,104
Other Province of Alberta		
Federal Government	859	1,375
First Nations		
Alberta Municipalities		
Other Alberta School Jurisdictions		
Other Trade Payables and Accrued Liabilities	1,045,925	625,062
Total	1,491,313	1,173,467

5. DEFERRED REVENUE

	2005	2004
Infrastructure Maintenance Program (formerly BQRP)	192,936	359,340
Infrastructure-One-Time Payment		630,307
Infrastructure-Modernizations, Demolitions, Block Mod, Utilization	11,581,372	493,842
Alberta Initiative for School Improvement		67,218
Other	1,784,361	451,992
Total	13,558,669	2,002,699

6. TRUST ASSETS AND LIABILITIES

These balances represent cash that is held in trust by the jurisdiction for following areas:

	2005	2004
Deferred Salary Leave Plan		
Scholarship Trusts	219,587	162,722
Student Health Initiative Trust (SHI Banker Board)		
Children & Youth with Complex Needs (Banker Board)		
Total	219,587	162,722

7. LONG TERM DEBT

a) Debenture Debt – Supported

The debenture debt bears interest at rates varying between 7 1/4% and 12%. The debenture debt is fully supported by Alberta Finance. The current portion of long-term debt consists entirely of amounts payable by Alberta Finance on supported debt; therefore, the working capital (current assets minus current liabilities) is understated by this amount. Debenture payments due over the next five years and beyond are as follows:

	Principal
2005-2006	1,080,084
2006-2007	1,080,084
2007-2008	1,080,084
2008-2009	1,080,084
2009-2010	1,080,084
2010 to maturity	1,778,997
Total	7,179,417

b) Capital Leases – Unsupported

Currently, there are no capital leases held by the jurisdiction.

8. DEFERRED CAPITAL ALLOCATIONS

Deferred capital allocations represent externally-restricted supported capital funds provided for a specific capital purpose received or receivable by the jurisdiction, but the related expenditure has not yet been made at year-end. When expended. These deferred capital allocations are transferred to the unamortized capital allocations.

9. UNAMORTIZED CAPITAL ALLOCATIONS

Unamortized capital allocations represent externally-restricted supported capital funds that have been expended, but have yet to be amortized over the useful life of the related capital asset. The unamortized capital allocations account balance is increased by transfers of deferred capital allocations expended, as well as fully-supported debenture principal repayments.

10. COMMITMENTS

a) Building Projects

The jurisdiction is committed to further capital expenditures for the addition at Peace River High, TA Norris and Springfield Schools of approximately $11,328,669. It is anticipated that these costs will be fully funded by the capital allocations from Alberta Infrastructure and Transportation.

11. CONTINGENCIES

a) The jurisdiction is a member of a reciprocal insurance exchange called ASBIE. A portion of the premiums paid each year represents equity contributions to the insurance fund. They payments have been recorded as expenditures in the financial statements, as the value of equity is subject to liability claims.

12. ECONOMIC DEPENDENCE ON RELATED THIRD PARTY

The Peace River School Division's primary source of income is from the Alberta Government. The Division's ability to continue viable operations is dependent on this funding.

13. BUDGET AMOUNTS

The budget was prepared by the school jurisdiction and approved by the Board of Trustees. It is presented for information purposes only.

14. COMPARATIVE FIGURES

The comparative figures have been reclassified where necessary to conform to the 2005 presentation.

SCHEDULE A to the AFS

School Jurisdiction Cod 1070

ALLOCATION OF REVENUES AND EXPENSES TO PROGRAMS - 2004-2005

	REVENUES	TOTAL	ECS to Grade 12 Instruction	Operations and Maintenance of Schools & Maintenance Shops	Transportation	Board & System Admin.	External Services
(1)	**Alberta Education Revenues**	$28,174,721	$22,446,567	$241,794	$3,932,410	$1,553,941	$0
	Alberta Infrastructure and Transportation						
(2)	Infrastructure Maintenance Program & Portable Relocations support	$568,078	$0	$568,078			
(3)	Regular Operations & Maintenance support	$1,604,544		$1,604,544			
(4)	Other support	$630,307	$0	$630,307			
(5)	**Total Alberta Infrastructure and Transportation Revenues**	$2,802,928	$0	$2,802,928			
(6)	**Alberta Finance**	$811,647		$811,647			$0
(7)	**Other - Government of Alberta**	$314,008	$314,008	$0	$0	$0	$0
(8)	**Federal Government and/or First Nations**	$185,486	$177,311	$0	$0	$8,175	$0
(9)	**Other Alberta school authorities**	$0	$0	$0	$0	$0	$0
(10)	**Out of province authorities**	$0	$0	$0	$0	$0	$0
(11)	**Alberta municipalities** (excl. supplementary requisitions)	$0	$0	$0	$0	$0	$0
(12)	**Instruction resource fees**	$236,467	$236,467				
(13)	**Transportation fees**	$20,916			$20,916		
(14)	**Other sales and services**	$392,576	$48,833	$86,553	$22,230	$1,572	$233,388
(15)	**Investment income**	$162,531	$117,814	$15,460	$21,442	$7,815	$0
(16)	**Gifts and donations**	$42,145	$42,145	$0	$0		$0
(17)	**Rentals of facilities**	$76,371	$0	$76,371	$0	$0	$0
(18)	**Net school generated funds**	$269,752	$269,752			$0	
(19)	**Gains on disposal of capital assets**	$12,800	$0	$1,000	$11,800	$0	$0
(20)	**Amortization of capital allocations**	$1,796,649	$0	$1,796,649	$0		$0
(21)	**TOTAL REVENUES**	$35,298,997	$23,652,898	$5,832,402	$4,008,806	$1,571,502	$233,388
	EXPENSES						
(22)	**Certificated salaries**	$14,018,834	$13,632,535			$386,299	$0
(23)	**Certificated benefits**	$1,383,114	$1,354,271			$28,844	$0
(24)	**Uncertificated salaries and wages**	$6,870,880	$3,809,536	$723,857	$1,668,545	$579,674	$89,268
(25)	**Uncertificated benefits**	$989,571	$525,636	$130,226	$228,840	$88,414	$16,455
(26)	**SUB - TOTAL**	$23,262,400	$19,321,979	$854,082	$1,897,385	$1,083,231	$105,723
(27)	**Services, contracts & supplies**	$7,492,517	$2,484,370	$2,503,857	$1,868,186	$499,408	$136,696
(28)	**Cost recoveries & charges to programs**	$0	$0	$0	$0	$0	$0
(29)	**Net school generated funds**	$269,752	$269,752				
	Capital and debt services						
	Amortization of capital assets						
(30)	Supported	$1,609,847	$0	$1,609,847	$0	$0	$0
(31)	Unsupported	$592,472	$115,581	$52,969	$396,882	$27,040	$0
(32)	Total Amortization	$2,202,319	$115,581	$1,662,816	$396,882	$27,040	$0
	Interest on capital debt						
(33)	Supported	$811,647	$0	$811,647	$0	$0	$0
(34)	Unsupported	$0	$0	$0	$0	$0	$0
(35)	Other interest charges	$10,396	$0	$0	$0	$10,396	$0
(36)	Losses on disposal of capital assets	$3,925	$3,925	$0	$0	$0	$0
(37)	**TOTAL EXPENSES**	$34,052,955	$22,195,606	$5,832,402	$4,162,453	$1,620,075	$242,419
(38)	**SURPLUS (DEFICIT) BEFORE EXTRAORDINARY ITEM**	$1,246,042	$1,457,292	$0	($153,647)	($48,572)	($9,031)

School Jurisdiction Code: 1070

SCHEDULE B to the AFS

ALBERTA EDUCATION REVENUES 2004-2005

	TOTAL
Base Funding	
Early Childhood Services (ECS)	$632,910
Base Instruction (Gr 1-12)	$15,616,226
Outreach Programs	$52,020
Home Education	$14,880
Differential Cost Funding *	$10,353,182
Other Provincial Support	
Institutional Programs	$0
Regional Consortium (6 boards) and Regional Educational Consulting Services (4 boards)	$0
Learning Resources Credit	$30,290
Federal French Funding	$17,005
Provincial Priority Targeted Funding	
Class Size Initiative	$452,987
Student Health Initiative (SHI)	$0
Alberta Initiative for School Improvement (AISI)	$524,503
High Speed Networking	$0
Children and Youth with Complex Needs	$0
Other Alberta Education Revenues (describe) O & M, Video Conference & textbook revenue & microsoft Licence	$480,719
Total Alberta Education Revenues	$28,174,721

* Differential Cost Funding is based on distribution formulas designed to address variable cost factors and incremental costs associated with other variables and specific student populations. Included in differential cost funding are allocations for students with severe disabilities, English as a second language students, Francisation and support services for immigrant students, aboriginal students, gifted & talented early childhood services children and those with mild or moderate or severe disabilities, the percentage of the student population experiencing low socio-economic status, small schools by necessity, intra-jurisdiction distances, year to year enrolment fluctuations, small school board administration, schools located in the north, boarding, transportation, stabilization of funding, and cost differences among school jurisdictions for purchasing goods and services.

School Jurisdiction Code: 1070

SCHEDULE C the AFS

ECS to Grade 12 INSTRUCTION PROGRAMS Expense Details - 2004-2005

SUB-PROGRAMS & INITIATIVES	ECS to GRADE 12 Instruction						
	Certificated Remuneration	Uncertificated Remuneration	Services, Contracts & Supplies [1]	Learning Resources	Cost Recoveries & Transfers	Other Expenses [2]	TOTAL EXPENSES
School Administration & All Instruction Support	$2,538,502	$1,119,262	$1,007,196		$0	$0	$4,664,960
Mild & Moderate Disabilities/Gifted & Talented (ECS-12)	$768,607	$178,669	$6,190		$0		$953,467
ECS Program Unit (PUF)	$147,579	$215,690	$63,637		$0		$426,906
Severe Disabilities (Gr 1-12)	$140,700	$1,415,569	$113,954		$0		$1,670,223
English as a Second Language	$155,552	$10,686	$0		$0		$166,238
French Language Program & Francisation (all jurisdictions)	$17,005	$0	$0		$0		$17,005
First Nations, Metis and Inuit Education (ECS - Gr 12)	$5,691	$90,164	$49,974		$0		$145,829
Home Education	$0	$0	$7,349		$0		$7,349
Institutional Programs	$0	$0	$0		$0		$0
Alberta Initiative for School Improvement	$389,464	$0	$153,040	$0	$0		$542,503
Student Health Initiative	$0	$0	$0		$0		$0
High Speed Networking			$0		$0		$0
Class Size	$452,987	$0	$0	$0	$0		$452,987
Children and Youth with Complex Needs (ECS - Gr 12)	$0	$0	$0		$0		$0
All Other Student Instruction Expenses (ECS - Gr 12)	$10,760,182	$1,305,132	$1,205,780	$30,290	$0	$389,258	$13,148,138
TOTAL EXPENSES	$15,376,270	$4,335,172	$2,607,120	$30,290	$0	$389,258	$22,195,606

FULL-TIME-EQUIVALENCIES (Board/Contract)	FTE Certificated	FTE Uncertificated
Mild & Moderate Disabilities/Gifted & Talented (ECS - Gr 1	10.4	11.3
ECS Program Unit (PUF)	1.0	5.2
Severe Disabilities (Gr 1-12)	1.7	53.6

Note 1 Excludes Learning Resources

Note 2 Includes Net School Generated Funds, Amortization, Interest, and Losses on Disposal of Instruction Program Capital Assets

School Jurisdiction Code: 1070

SCHEDULE D to the AFS
CALCULATION OF MAXIMUM ELIGIBLE EXPENSE LIMIT FOR BOARD (GOVERNANCE) AND SYSTEM ADMINISTRATION - 2004-2005

TOTAL EXPENSES	**$34,052,955**

STEP 1

Calculation of maximum expense limit PERCENTAGE for Board and System Administration expenses

If "Total Net Enrolled Students" are 6,000 and over	= 4%	**5.38%**
If "Total Net Enrolled Students" are 2,000 and less	= 6%	

The Maximum Expense Limit for Board and System Administration is based on an arithmetical proration for the TOTAL FTE count for grades 1 -12, net of Home Education AND Adult students, between 2,000 to 6,000 at .0005 per FTE

EXAMPLE: 4,500 FTE count grades 1-12 = 6,000 - 4,500 = 1,500 X .0005 = .75% plus 4% = maximum expense limit of 4.75%

Note: Calculation unnecessary if Total FTE is 6,000 or more, and 2,000 & less

STEP 2

Calculate maximum expense limit AMOUNTS for Board and System Administration expenses

Maximum Expense Limit percentage (Step 1) x TOTAL EXPENSES		$1,832,390
Considerations for Charter Schools and Small School Boards:		
If **Charter School**, enter $56,100	$0	$0
If **School Board**, please enter your 04-05 Gr 1- 12 funded enrolment		
	$0	$0
MAXIMUM EXPENSE LIMIT		**$1,832,390**

STEP 3

Compare maximum expense limit amounts calculated in Step 2 to actual expenses (from Schedule A)

Actual Board Governance & System Administration expenses	$1,620,075
PLUS: transfers to Restricted - Operating (Board/System Administration)	$0
LESS: transfers from Restricted - Operating (Board/System Administration)	-$48,572
TOTAL BOARD GOVERNANCE & SYSTEM ADMINISTRATION EXPENSES	$1,571,503
MAXIMUM EXPENSE LIMIT	$1,832,390
ACTUAL EXPENSES - OVER(UNDER) MAXIMUM EXPENSE LIMIT	-$260,887

School Jurisdiction Code: 1070

SCHEDULE E to the AFS
SOURCE & APPLICATION OF SCHOOL GENERATED FUNDS (SGF) - 2004-2005

Unexpended SGF - Opening Balance August 31, 2004 (Note 1)				$503,121
Source of Net School Generated Funds:	**Gross SGF**	**Related Expenses**	**Net SGF**	
Fundraising activities	$1,138,564	$832,016	$306,548	
Student fees (Non-Instructional) (Note 2)	$20,677		$20,677	
Donations and grants to schools	$10,339		$10,339	
Other (describe)	$0	$0	$0	
Net Additions to SGF	$1,169,580	$832,016		$337,564
Net SGF Available for Discretionary Spending				$840,685
Application of Net School Generated Funds:				
Extra-curricular activities			$172,630	
School beautification			$0	
Field Trips			$97,122	
Equipment			$0	
Family literacy and other community resources			$0	
Other (describe)			$0	
Net SGF Expended for Discretionary Purposes (Note 3)				$269,752
Unexpended SGF - Closing Balance August 31, 2005 (Note 4)				$570,934

School Generated Funds (SGF) are funds raised in the community for student activities that come under the control and responsibility of school management. These funds are usually collected and retained at the school for expenditures paid at the school level. SGF does not include fees with respect to instructional supplies or materials collected pursuant to Section 60(2)(j) of the *School Act*, and any other funds collected at the school but remitted to central office and accounted for by the jurisdiction (facility rentals, capital assets purchases, etc.)

Note 1 Input "(Restated)" beside Balance at August 31, 2004 where not taken from the finalized 2003-2004 Audited Financial Statements

Note 2 Excludes fees collected pursuant to Section 60(2)(j) of the School Act (fees with respect to instructional supplies or materials - essentially textbooks, resource materials in lieu of textbooks, media, software, and materials for classrooms). Amounts collected for CEU-related activities are recorded as instruction resource fees, not SGF

Note 3 Net SGF Expended for Discretionary Purposes is recorded as revenue and expense in the Statement of Revenues & Expenses

Note 4 Unexpended SGF is carried forward to the Statement of Financial Position

School Jurisdiction Code: 1070

SCHEDULE F to the AFS
Operations and Maintenance Program Expenses - 2004-2005

EXPENSES	Custodial	Maintenance	Utilities and Telecommunications	Expensed Mod./I.M.P. & Portable Relocations	Facility Planning & Operations Administration	SUB-TOTAL Operations & Maintenance	Supported Capital & Debt Services	TOTAL Operations and Maintenance
Uncertificated salaries and wages		$599,076	$0	$0	$124,780	$723,857		$723,857
Uncertificated benefits	$10,758	$93,977	$0	$0	$25,491	$130,226		$130,226
Sub-total Remuneration	$10,758	$693,053	$0	$0	$150,271	$854,082		$854,082
Contracted Services	$994,329	($89,177)	$0	$524,553	$33,200	$1,462,905		$1,462,905
Supplies	$22,413	$0	$0	$0	$4,429	$26,843		$26,843
Electricity			$417,236			$417,236		$417,236
Natural Gas/Heating Fuel			$396,368			$396,368		$396,368
Sewer and Water			$84,566			$84,566		$84,566
Telecommunications			$10,880			$10,880		$10,880
Insurance					$105,058	$105,058		$105,058
Amortization of capital assets								
Supported							$1,609,847	$1,609,847
Unsupported						$52,969		$52,969
Total Amortization						$52,969	$1,609,847	$1,662,816
Interest on capital debt								
Supported							$811,647	$811,647
Unsupported				$0		$0		$0
Other interest charges						$0		$0
Losses on disposal of capital assets						$0		$0
Cost recoveries & transfers						$0		$0
TOTAL EXPENSES	$1,027,500	$603,876	$909,051	$524,553	$292,959	$3,410,908	$2,421,494	$5,832,402
SQUARE METRES								
School Buildings								55,421.2
Non School Buildings								382.0
UNCERTIFICATED FTE'S (Board/Contract)	17.0	10.0						

Notes

Custodial:	All expenses related to activities undertaken to keep the school environment clean and safe
Maintenance:	All expenses associated with the repair, replacement and minor construction of buildings, grounds and equipment components. This includes regular and preventative maintenance undertaken to ensure components reach or exceed their life cycle and the repair of broken components
Utilities & Telecommunications:	All expenses related to electricity, natural gas and other heating fuels, sewer and water and all forms of telecommunications
Expensed Block Mod/I.M.P. & Portable Relocations:	All expenses associated with non-capital activites related to Block Modemization, Infrastructure Maintenance Programs (AKA Building Quality Restoration Program) and portable relocations
Facility Planning & Operations Administration:	All expenses related to the administration of operations and maintenance including (but not limited to) contract administration, clerical functions, negotiations, supervision of employees and contractors, administration of capital projects (including new schools, I.M.P., block modernization and portable relocations), administration of joint-use agreements, and all expenses related to ensuring compliance with health and safety statndards, codes and government regulations
Supported Capital & Debt Services:	All expenses related to supported capital assets amortization and interest on supported capital debt

School Jurisdiction Code: 1070

SCHEDULE G to the AFS
DISCLOSURE OF SALARIES AND BENEFITS - 2004-2005
(SECTION 148.1 OF THE SCHOOL ACT)

		FTEs	Remuneration	Benefits	Allowances	Performance Bonuses	ERIP's / Other	Total	Expenses
Chairperson:									
Name	Bonnie Paulovich	1.0	$17,207	$1,993				$19,199	$14,849
Name		0.0	$0	$0	$0			$0	$0
Other Board Members:									
Name	Sylvia Mathieu	0.1	$158	$0	$0			$158	$0
Name	Sherry Crawford	0.9	$7,209	$1,789	$0			$8,998	$3,359
Name	Colin Needham	1.0	$8,795	$210	$0			$9,005	$3,350
Name	Louise Woronuk	1.0	$16,244	$1,961	$0			$18,205	$8,105
Name	Trudi Kellor	1.0	$10,618	$1,466	$0			$12,084	$4,868
Name	Elaine Sky	0.1	$792	$12	$0			$804	$0
Name	Nan Bartlett	0.9	$10,088	$1,871	$0			$11,959	$5,700
Name	Mark Neilson	0.1	$0	$0	$0			$0	$0
Name	Landon Portsmouth	0.4	$238	$7	$0			$244	$199
Name	Judy Cox	0.5	$4,120	$463	$0			$4,584	$2,421
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Subtotal		*7.0*	*$75,469*	*$9,771*	*$0*			*$85,241*	*$42,852*
Superintendent	Greg Woronuk	1.0	$128,930	$8,332	$0	$0	$0	$137,262	$22,393
Superintendent		0.0	$0	$0	$0	$0	$0	$0	$0
Secretary/Treasurer	Bruce Moltzan	1.0	$109,079	$18,687	$0	$0	$0	$127,766	$15,296
Secretary/Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Board Secretary		0.0	$0	$0	$0	$0	$0	$0	$0
Board Secretary		0.0	$0	$0	$0	$0	$0	$0	$0
Board Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Board Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Certificated Salaries		181.6	$13,889,904	$1,374,782	$0	$0	$0	$15,264,687	
Uncertificated Salaries & Wages		255.8	$6,686,332	$961,113	$0	$0	$0	$7,647,445	
TOTALS			**$20,889,715**	**$2,372,686**	**$0**	**$0**	**$0**	**$23,262,401**	

Note: Please refer to completion information on page 15.

School Jurisdiction Code 0177

AUDITED
FINANCIAL STATEMENTS
and Supporting Schedules
FOR THE YEAR ENDED AUGUST 31, 2005
[School Act, Sections 147(2)(a), 148, 151(1) and 276]

Peace Wapiti School Division No. 76
Legal Name of School Jurisdiction

8611A - 108 Street, Grande Prairie, AB
Mailing Address

(780)532-8133 (780)532-4234
Telephone and Fax Numbers

SCHOOL JURISDICTION MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The financial statements and supporting schedules Peace Wapiti School Division No. 76 (Name of School Jurisdiction) presented to Alberta Learning have been prepared by school jurisdiction management which has responsibility for their preparation, integrity and objectivity. The financial statements and schedules, including notes, have been prepared in accordance with generally accepted accounting principles and Ministerial requirements for Alberta school jurisdictions.

In fulfilling its reporting responsibilities, management has maintained internal control systems and procedures designed to provide reasonable assurance that the school jurisdiction's assets are safeguarded, that transactions are executed in accordance with appropriate authorization and that accounting records may be relied upon to properly reflect the school jurisdiction's transactions. The effectiveness of the control systems is supported by the selection and training of qualified personnel, an organizational structure that provides an appropriate division of responsibility and a strong budgetary system of control.

Board of Trustees Responsibility
The ultimate responsibility for the financial statements lies with the Board of Trustees. The Board reviewed the financial statements with management in detail and the Board approved the financial statements for release.

External Auditors
The Board appoints external auditors to audit the financial statements and meets with the auditors to review their findings. The external auditors have full and free access to school jurisdiction records.

Declaration of Management and Board Chairman
To the best of our knowledge and belief, these financial statements and supporting schedules reflect, in all material respects, the financial position and results of operations and cash flows for the year in accordance with generally accepted accounting principles and Ministerial requirements for Alberta school jurisdictions.

BOARD CHAIRMAN

Mrs. Sonia Ens	"ORIGINAL SIGNED"
Name	**Signature**

SUPERINTENDENT

Dr. Darwin Eckstrom	"ORIGINAL SIGNED"
Name	**Signature**

SECRETARY TREASURER OR TREASURER

Mrs. Leslie Cage	"ORIGINAL SIGNED"
Name	**Signature**

24-Nov-05
Board-approved Release Date

c.c. **ALBERTA EDUCATION, School Reporting Branch,**
8th Floor Commerce Place, 10155-102 Street, Edmonton AB T5J 4L5
EMAIL: Cindy.Jarry@gov.ab.ca
PHONE: (780) 427-7782 FAX: (780) 422-6996

AUDITORS' REPORT

To the Board of Trustees of **Peace Wapiti School Division No. 76**

We have audited the statement of financial position of **Peace Wapiti School Division No. 76** as at August 31, 2005 and the statements of revenues and expenses, cash flows, changes in net assets and capital allocations for the year then ended. These financial statements are the responsibility of the school jurisdiction's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance as to whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the school jurisdiction as at August 31, 2005 and the results of its operations, changes in cash flows, net assets and capital allocations for the year then ended in accordance with Canadian generally accepted accounting principles.

Our audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplementary information included in Schedules A through G is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such supplementary information has been subjected to the auditing procedures applied in the audit of the basic financial statements and in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

'Original Signed'
Fletcher Mudryk & Co. LLP

Grande Prairie, Alberta
October 28, 2005

Chartered Accountants

School Jurisdiction Code: 0177

STATEMENT OF FINANCIAL POSITION

as at August 31, 2005

(in dollars)

		2005	2004
ASSETS			
Current assets			
Cash and temporary investments		$4,839,212	$4,600,284
Accounts receivable (net after allowances)		$3,514,562	$2,651,207
Prepaid expenses		$90,307	$186,308
Other current assets		$331,387	$401,190
Total current assets		$8,775,468	$7,838,989
School generated assets		$848,619	$852,657
Trust assets		$147,072	$157,697
Long term accounts receivable		$0	$0
Long term investments		$0	$0
Capital assets			
Land		$1,908,250	$1,908,250
Buildings	$67,691,649		
Less: accumulated amortization	($37,183,058)	$30,508,591	$31,777,696
Equipment	$3,729,452		
Less: accumulated amortization	($1,863,315)	$1,866,137	$1,453,237
Vehicles	$11,222,942		
Less: accumulated amortization	($5,381,939)	$5,841,003	$6,923,178
Total capital assets		$40,123,981	$42,062,361
TOTAL ASSETS		$49,895,140	$50,911,704
LIABILITIES			
Current liabilities			
Bank indebtedness		$0	$0
Accounts payable and accrued liabilities		$3,575,108	$4,953,316
Deferred revenue		$413,949	$387,318
Deferred capital allocations		$1,782,558	$0
Current portion of all long term debt		$1,287,491	$1,287,491
Total current liabilities		$7,059,106	$6,628,125
School generated liabilities		$848,619	$852,657
Trust liabilities		$147,072	$157,697
Employee future benefits liability		$0	$0
Long term payables and accrued liabilities		$0	$0
Long term debt			
Supported:	Debentures and other supported debt	$9,779,399	$11,066,890
	Less: Current portion of supported debt	($1,287,491)	($1,287,491)
Unsupported:	Debentures and Capital Loans	$0	$0
	Capital Leases	$0	$0
	Mortgages	$0	$0
	Less: Current portion of unsupported debt	$0	$0
Unamortized capital allocations		$18,541,289	$18,186,235
Total long term liabilities		$28,028,888	$28,975,988
TOTAL LIABILITIES		$35,087,994	$35,604,113
NET ASSETS			
Unrestricted net assets		$75,221	$35,490
Operating Reserves		$2,098,096	$2,616,790
Accumulated Operating Surplus (Deficit)		$2,173,317	$2,652,280
Investment in capital assets		$11,803,290	$12,809,235
Capital Reserves		$830,539	($153,924)
Total Capital Funds		$12,633,829	$12,655,311
Total net assets		$14,807,146	$15,307,591
TOTAL LIABILITIES AND NET ASSETS		$49,895,140	$50,911,704

Note: Input "(Restated)" in 2004 column heading where comparatives are not taken from the finalized 2003-2004 Audited Financial Statements.

School Jurisdiction Code: 0177

STATEMENT OF REVENUES AND EXPENSES

for the Year Ended August 31, 2005

(in dollars)

	Actual 2005	Budget 2005	Actual 2004
REVENUES			
Government of Alberta	$46,721,730	$45,532,194	$44,996,365
Federal Government and/or First Nations	$947,548	$867,350	$870,803
Other Alberta school authorities	$275,769	$80,500	$82,048
Out of province authorities	$223,769	$243,000	$269,241
Alberta Municipalities (excluding supplementary requisitions)	$66,857	$65,000	$50,000
Instruction resource fees	$455,873	$0	$472,470
Transportation fees	$0	$0	$0
Other sales and services	$374,215	$240,000	$292,695
Investment income	$228,896	$311,000	$265,865
Gifts and donations	$57,277	$25,000	$44,422
Rentals of facilities	$191,263	$204,000	$224,858
Net school generated funds	$1,184,117	$900,000	$1,050,009
Gains on disposal of capital assets	$207,520	$74,500	$89,111
Amortization of capital allocations	$1,391,637	$1,400,000	$1,392,447
Total Revenues	$52,326,471	$49,942,544	$50,100,334
EXPENSES			
Certificated salaries	$24,256,215	$23,822,681	$23,285,873
Certificated benefits	$2,675,715	$2,782,465	$2,570,975
Uncertificated salaries and wages	$8,653,769	$7,369,949	$8,387,919
Uncertificated benefits	$1,875,293	$1,688,680	$1,899,582
Services, contracts and supplies	$10,165,900	$9,678,076	$9,908,569
Net school generated funds	$1,184,117	$900,000	$1,050,009
Capital and debt services			
Amortization of capital assets			
Supported	$1,396,779	$1,390,460	$1,392,447
Unsupported	$1,492,666	$1,239,349	$1,308,630
Total Amortization of capital assets	$2,889,445	$2,629,809	$2,701,077
Interest on capital debt			
Supported	$1,056,891	$1,450,000	$1,199,133
Unsupported	$0	$0	$0
Total Interest on capital debt	$1,056,891	$1,450,000	$1,199,133
Other interest charges	$3,223	$2,000	$1,699
Losses on disposal of capital assets	$66,350	$0	$0
Total Expenses	$52,826,918	$50,323,660	$51,004,836
SURPLUS (DEFICIT) OF REVENUES OVER EXPENSES BEFORE EXTRAORDINARY ITEM	($500,447)	($381,116)	($904,502)
Extraordinary Item	$0	$0	$0
SURPLUS (DEFICIT) OF REVENUES OVER EXPENSES	($500,447)	($381,116)	($904,502)

Note: Input "(Restated)" in Budget 2005 and/or Actuals 2004 column headings where comparatives are not taken from the respective finalized 2004-2005 Budget Report and/or finalized 2003-2004 Audited Financial Statements.

School Jurisdiction Code: 0177

STATEMENT OF CASH FLOWS

for the Year Ended August 31, 2005

(in dollars)

	2005	2004
CASH FLOWS FROM:		
A. OPERATIONS		
Surplus (deficit) of revenues over expenses for the year	($500,447)	($904,502)
Add (Deduct) items not requiring cash:		
Amortization of capital allocations revenue	($1,391,637)	($1,392,447)
Total amortization expense	$2,889,445	$2,701,077
Gains on disposal of capital assets	($207,520)	($89,111)
Losses on sale of capital assets	$66,350	$0
Changes in accrued accounts:		
Accounts receivable	($863,355)	($591,166)
Prepaids and other current assets	$165,804	$3,249
Long term accounts receivable	$0	$0
Long term investments	$0	$0
Payables and accrued liabilities	($1,378,208)	$1,142,964
Deferred revenue	$26,631	($382,315)
Employee future benefit expense (recovery)	$0	$0
Other (describe)	$0	$3,544
Total sources (uses) of cash from Operations	($1,192,937)	$491,293
B. INVESTING ACTIVITIES		
Purchases of capital assets		
Land	$0	$0
Buildings	($826,524)	($4,554,738)
Equipment	($646,132)	($343,680)
Vehicles	($74,647)	($2,113,084)
Net proceeds from disposal of capital assets	$207,520	$89,111
Other (describe)		$0
Total sources (uses) of cash from Investing activities	($1,339,783)	($6,922,391)
C. FINANCING ACTIVITIES		
Capital allocations	$2,771,649	$1,293,882
Issue of long term debt	$0	$0
Repayment of long term debt	($1,287,491)	($1,333,660)
Add back: supported portion	$1,287,490	$1,333,660
Other (describe)	$0	$0
Total sources (uses) of cash from Financing activities	$2,771,648	$1,293,882
Net sources (uses) of cash during year	$238,928	($5,137,216)
Cash and temporary investments, net of bank indebtedness, at Aug. 31/04	$4,600,284	$9,737,500
Cash and temporary investments, net of bank indebtedness, at Aug. 31/05	$4,839,212	$4,600,284

Note: 1 Input "(Restated)" in 2004 column heading where not taken from the finalized 2003-2004 Audited Financial Statements
2 Cash and temporary investments are net of cash obligations

School Jurisdiction 0177

STATEMENT OF CHANGES IN NET ASSETS
for the Year Ended August 31, 2005

(in dollars)

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
	TOTAL NET ASSETS Cols 2+3+4	INVESTMENT IN CAPITAL ASSETS	UNRESTRICTED NET ASSETS	TOTAL INTERNALLY RESTRICTED NET ASSETS Cols 5 to 14	INTERNALLY RESTRICTED NET ASSETS									
					School Based		Infrastructure		Board & System Admin.		Transportation		External Services	
					Operating Reserves	Capital Reserves	O& M Operating Reserves	Capital Reserves	Operating Reserves	Capital Reserves	Operating Reserves	Capital Reserves	Operating Reserves	Capital Reserves
Balance at August 31, 2004	$15,307,591	$12,809,235	$35,490	$2,462,866	$2,506,670	$197,916	($35,403)	$223,343	$127,485	($177,170)	$18,038	($398,013)	$0	$0
Prior period adjustments (describe)														
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Adjusted Balance,Aug.31, 2004	$15,307,591	$12,809,235	$35,490	$2,462,866	$2,506,670	$197,916	($35,403)	$223,343	$127,485	($177,170)	$18,038	($398,013)	$0	$0
Surplus(def) of revenue over expenses	($500,447)		($500,447)											
Board funded capital transactions		$558,213	$0	($558,213)	$0	($267,375)	$0	$0	$0	($208,053)	$0	($82,786)	$0	$0
Direct credits to net assets	$0	$0												
Amortization of capital assets		($2,889,445)	$2,889,445											
Amortization of capital allocations		$1,391,637	($1,391,637)											
Disposal of unsupported capital assets	$0	($66,351)	($74,816)	$141,169		$3,250		$0		$61,250		$76,669		$0
Disposal of supported capital assets (board funded portion)	$0	$0	$0	$0		$0		$0		$0		$0		$0
Debt principal payments (unsupported)		$0	$0											
Net transfers to operating reserves			($30,458)	$30,458	$0		$0		$0		$30,458		$0	
Net transfers from operating reserves			$549,152	($549,152)	($549,152)		$0		$0		$0		$0	
Net transfers to capital reserves			($1,401,508)	$1,401,508		$162,702		$41,892		$161,282		$1,035,631		$0
Net transfers from capital reserves			$0	$0		$0		$0		$0		$0		$0
Balance at August 31, 2005	$14,807,144	$11,803,290	$75,221	$2,928,635	$1,957,518	$96,494	($35,403)	$265,235	$127,485	($162,691)	$48,496	$631,501	$0	$0

School Jurisdiction Code: 0177

STATEMENT OF CAPITAL ALLOCATIONS
(SUPPORTED CAPITAL FINANCING ONLY)
for the Year Ended August 31, 2005

(in dollars)

	Deferred Capital Allocations	Unamortized Capital Allocations
Balance at August 31, 20	$0	$18,186,235
Prior period adjustment	$0	$0
Adjusted balance, August 31, 2004	$0	$18,186,235
Add:		
Capital allocations from: Infrastructure and Transportation-New/Modernization Projects	$838,394	
Other Government of Alberta	$0	
Federal Government and/or First Nations	$0	
Other sources	$0	
Interest earned on provincial government capital allocations	$105,697	
Other capital grants and donations	$0	
Proceeds on disposal of supported capital assets	$1,827,558	
Insurance proceeds	$0	
Donated capital assets (amortizable, at Fair Market Value)		$0
Transferred in capital assets (amortizable, at Net Book Value)		$0
Current Year Debenture Principal Repayment		$1,287,490
Expended capital allocations - current year	($989,091)	$989,091
Less:		
Unamortized Capital Allocation affected by a disposal through transfer out		$529,890
Capital allocations amortized to revenue		$1,391,637
Balance at August 31, 2005	$1,782,558	$18,541,289

PEACE WAPITI SCHOOL DIVISION NO. 76
NOTES TO THE AUDITED FINANCIAL STATEMENTS
YEAR ENDED AUGUST 31, 2005

1. AUTHORITY AND PURPOSE

The school jurisdiction delivers education programs under the authority of the *School Act*, Revised Statutes of Alberta 2000, Chapter S-3.

The jurisdiction receives instruction and support allocations under Regulation 77/2003. The regulation allows for the setting of conditions and use of grant monies. The school jurisdiction is limited on certain funding allocations and administration expenses.

2. SIGNIFICANT ACCOUNTING POLICIES

Measurement uncertainty

These financial statements have been prepared in accordance with Canadian generally accepted accounting principles. The precise determination of many assets and liabilities is dependent on future events. As a result, the preparation of financial statements for a period involves the use of estimates and approximations, which have been made using careful judgement. Actual results could differ from those estimates and approximations. The financial statements have, in management's opinion, been properly prepared within reasonable limits of materiality and within the framework of the accounting policies summarized below:

Inventory

Inventory consists of maintenance supplies and fuel and is recorded at the lower of cost and net realizable value.

Capital assets

Capital assets are recorded at cost and are amortized over their useful lives on a straight-line basis, at the following rates:

Buildings	2.5% to 4%
Vehicles and buses	9% to 12.5%
Equipment and furnishings	20%

Capital assets with costs in excess of $5,000 are capitalized. Capital allocations received for assets additions are amortized into revenue over the same period as the amortization expense. No amortization is recorded in the year of acquisition.

When capital assets are sold or scrapped, the cost of the asset and the related accumulated amortization are removed from the accounts and any resulting gain or loss on disposal is reflected in income.

2. SIGNIFICANT ACCOUNTING POLICIES – continued

Investments

Long-term investments are valued at cost.

Revenue recognition

Revenue is recognized as follows:

Instruction and support allocations are recognized in the year to which they relate.

Fees for services related to courses and programs are recognized as revenue when such courses and programs are delivered.

Capital allocations from the province or other agencies are recorded as deferred capital allocations until spent. Once spent, they are transferred to unamortized capital allocations, which are then amortized to revenue on the same basis as the amortization of the capital asset acquired.

Unrestricted contributions are recognized as revenue when received or receivable. Contributions in-kind are recorded at fair market value when reasonably determinable.

Externally restricted contributions are deferred and recognized as revenue in the period in which the restriction is complied with. Endowment contributions are recognized as direct increases in net assets in the period in which they are received.

School generated funds

These are funds which come under the control and responsibility of a school principal for school activities. They are usually collected, retained and expended at the school level (e.g. yearbook sales, graduation fees, field trip fees, etc.).

Vacation pay

Vacation pay is accrued in the period in which the employee earns the benefit.

Contributed services

Volunteers contribute a considerable number of hours per year to schools to ensure that certain programs are delivered, such as kindergarten, lunch services and the raising of school generated funds. Because of the difficulty of compiling these hours and the fact that these services are not otherwise purchased, contributed services are not recognized in the financial statements.

2. SIGNIFICANT ACCOUNTING POLICIES – continued

Pensions

Pension costs included in these statements comprise the cost of employer contributions for current service of employees during the year.

The current and past service costs of the Alberta Teacher Retirement Fund are met by contributions by active members and the Government of Alberta. Under the terms of the Teachers Pension Plan Act, the Peace Wapiti School Division No. 76 does not make pension contributions for certificated staff.

The school division participates in a multi-employer pension plan, the Local Authorities Pension Plan, and does not report on any unfunded liabilities. The expense for this pension plan is equivalent to the annual contributions of $226,931 (2004 - $192,376) for the year ended August 31, 2005. At December 31, 2004, the Local Authorities Pension Plan reported an actuarial deficiency of $1,288,924,000 (2003 deficiency of $1,453,487,000).

Operating and capital reserves

Reserves are established at the discretion of the Board of Trustees of the jurisdiction, to set aside funds for operating and capital purposes. Such reserves are appropriations of unrestricted net assets.

Employee future benefits

The jurisdiction accrues its obligations under employee future benefit plans and expenses the related costs. As at August 31, 2005, the recorded obligation is $664,775 (2004 - $782,061).

Financial instruments

These consist of cash, accounts receivable, accounts payable, accrued liabilities and long-term debt. It is management's opinion that the jurisdiction is not exposed to significant interest, currency or credit risks arising from these financial instruments. Unless otherwise noted, the fair values of these financial instruments approximate their carrying values. The jurisdiction has invested surplus funds in accordance with Section 60 of the *School Act* and Section 5 of the Trustees Act.

PEACE WAPITI SCHOOL DIVISION NO. 76
NOTES TO THE AUDITED FINANCIAL STATEMENTS
YEAR ENDED AUGUST 31, 2005

3. ACCOUNTS RECEIVABLE

	2005	2004
Province of Alberta	$ 2,910,919	$ 2,319,261
Federal Government and/or First Nations	125,582	197,562
Other (net after allowance)	478,061	134,384
	$ 3,514,562	$ 2,651,207

4. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	2005	2004
Province of Alberta	$ 632,899	$ 716,377
Federal Government and/or First Nations	25,968	497,353
Other trade payables and accrued liabilities	2,916,241	3,739,586
	$ 3,575,108	$ 4,953,316

5. DEFERRED REVENUE

	2005	2004
Alberta Infrastructure	$ 203,341	$ 267,849
Alberta Education	196,060	93,923
Other	14,548	25,546
	$ 413,949	$ 387,318

6. TRUST ASSETS AND LIABILITIES

These balances represent cash that is held in trust by the jurisdiction.

	2005	2004
Scholarship trusts	$ 27,185	$ 26,962
Other	119,887	130,735
	$ 147,072	$ 157,697

7. LONG-TERM DEBT

	2005	2004
Debentures	$ 9,779,399	$ 11,066,890
Less current portion	1,287,491	1,287,491
	$ 8,491,908	$ 9,779,399

The debenture debt bears interest at rates varying between 8.0% and 12.0%. The debenture debt is fully supported by Alberta Finance. Debenture payments due over the next five years are as follows:

	Principal	Interest	Total
2006	$ 1,287,491	$ 1,005,657	$ 2,293,148
2007	$ 1,280,015	$ 870,944	$ 2,150,959
2008	$ 1,274,682	$ 737,017	$ 2,011,699
2009	$ 1,161,941	$ 603,602	$ 1,765,543
2010	$ 1,068,310	$ 483,367	$ 1,551,677

8. DEFERRED CAPITAL ALLOCATIONS

Deferred capital allocations represent externally restricted supported capital funds provided for a specific capital purpose received or receivable by the jurisdiction, but the related expenditure had not been made at year-end. When expended, these deferred capital allocations are transferred to unamortized capital allocations.

9. UNAMORTIZED CAPITAL ALLOCATIONS

Unamortized capital allocations represent externally restricted supported capital funds that have been expended, but have yet to be amortized over the useful life of the related capital asset. The unamortized capital allocations account balance is increased by transfers of deferred capital allocations expended, as well as fully supported debenture principal repayments.

10. CONTINGENCIES

Contingent asset

The jurisdiction is a member of a reciprocal insurance exchange called the Alberta School Board Insurance Exchange (ASBIE). A portion of the premiums paid each year represents equity contributions to the insurance fund. These payments have been recorded as expenses in the financial statements, as the value of equity is subject to liability claims.

Contingent liability

Under the terms of membership of ASBIE, the jurisdiction could become liable for its proportionate share of any claim losses in excess of the funds held by the exchange. Any liability incurred would be accounted for as a current transaction in the year the losses are determined.

11. ECONOMIC DEPENDENCE ON THIRD PARTY

The school jurisdiction's primary source of income is from the Alberta Government. The school jurisdiction's ability to continue viable operations is dependent on this funding.

12. BUDGET AMOUNTS

The budget was prepared by the school jurisdiction and approved by the Board of Trustees. It is presented for information purposes only and has not been audited.

13. COMMITMENTS

a) Personnel contracts

The jurisdiction has entered into personnel contracts with its executive management team. In the event that these contracts are cancelled or not renewed by the Board, there could be a liability incurred as per the termination clauses in the executive contracts.

b) Building contracts

The jurisdiction is committed to further capital expenditures for various capital projects of $1,210,028. It is anticipated that these costs will be fully funded by the capital allocations from Alberta Infrastructure and Transportation.

SCHEDULE A to the AFS

School Jurisdiction Cod 0177

ALLOCATION OF REVENUES AND EXPENSES TO PROGRAMS - 2004-2005

	REVENUES	TOTAL	ECS to Grade 12 Instruction	Operations and Maintenance of Schools & Maintenance Shops	Transportation	Board & System Admin.	External Services
(1)	**Alberta Education Revenues**	$41,054,738	$36,049,741	$0	$4,953,971	$2,545	$48,481
	Alberta Infrastructure and Transportation						
(2)	Infrastructure Maintenance Program & Portable Relocations support	$666,147	$0	$666,147			
(3)	Regular Operations & Maintenance support	$3,790,700		$3,790,700			
(4)	Other support	$0	$0	$0			
(5)	**Total Alberta Infrastructure and Transportation Revenues**	$4,456,847	$0	$4,456,847			
(6)	**Alberta Finance**	$1,056,891		$1,056,891			$0
(7)	**Other - Government of Alberta**	$153,254	$88,323	$57,089	$5,335	$462	$2,046
(8)	**Federal Government and/or First Nations**	$947,548	$841,665	$71,500	$0	$34,383	$0
(9)	**Other Alberta school authorities**	$275,769	$98,466	$0	$0	$968	$176,336
(10)	**Out of province authorities**	$223,769	$156,481	$0	$67,288	$0	$0
(11)	**Alberta municipalities** (excl. supplementary requisitions)	$66,857	$66,857	$0	$0	$0	$0
(12)	**Instruction resource fees**	$455,873	$455,873				
(13)	**Transportation fees**	$0			$0		
(14)	**Other sales and services**	$374,215	$305,998	$12,854	$33,606	$21,756	$0
(15)	**Investment income**	$228,896	$150,708	$41,102	$24,642	$12,444	$0
(16)	**Gifts and donations**	$57,277	$38,721	$0	$0		$18,556
(17)	**Rentals of facilities**	$191,263	$0	$900	$94,708	$7,500	$88,156
(18)	**Net school generated funds**	$1,184,117	$1,184,117			$0	
(19)	**Gains on disposal of capital assets**	$207,520	$3,250	$1	$143,019	$61,250	$0
(20)	**Amortization of capital allocations**	$1,391,637	$0	$1,391,637	$0		$0
(21)	**TOTAL REVENUES**	$52,326,471	$39,440,200	$7,088,821	$5,322,568	$141,307	$333,574
	EXPENSES						
(22)	**Certificated salaries**	$24,256,215	$23,987,343			$250,372	$18,500
(23)	**Certificated benefits**	$2,675,715	$2,655,423			$18,775	$1,517
(24)	**Uncertificated salaries and wages**	$8,653,769	$4,372,333	$654,271	$2,924,044	$701,349	$1,772
(25)	**Uncertificated benefits**	$1,875,293	$882,701	$135,280	$692,371	$164,820	$121
(26)	**SUB - TOTAL**	$37,460,991	$31,897,800	$789,551	$3,616,415	$1,135,315	$21,910
(27)	**Services, contracts & supplies**	$10,165,900	$3,731,861	$3,967,620	$1,603,722	$522,634	$340,063
(28)	**Cost recoveries & charges to programs**	$0	$466,319	($160,080)	($317,103)	$130,834	($119,970)
(29)	**Net school generated funds**	$1,184,117	$1,184,117				
	Capital and debt services						
	Amortization of capital assets						
(30)	Supported	$1,396,779	$0	$1,396,779	$0	$0	$0
(31)	Unsupported	$1,492,666	$172,341	$35,299	$1,100,924	$92,531	$91,571
(32)	Total Amortization	$2,889,445	$172,341	$1,432,078	$1,100,924	$92,531	$91,571
	Interest on capital debt						
(33)	Supported	$1,056,891	$0	$1,056,891	$0	$0	$0
(34)	Unsupported	$0	$0	$0	$0	$0	$0
(35)	Other interest charges	$3,223	$0	$0	$0	$3,223	$0
(36)	Losses on disposal of capital assets	$66,350	$0	$0	$66,350	$0	$0
(37)	**TOTAL EXPENSES**	$52,826,918	$37,452,438	$7,086,060	$6,070,308	$1,884,537	$333,574
(38)	**SURPLUS (DEFICIT) BEFORE EXTRAORDINARY ITEM**	($500,447)	$1,987,762	$2,761	($747,740)	($1,743,230)	$0

School Jurisdiction Code: 0177

SCHEDULE B to the AFS
ALBERTA EDUCATION REVENUES 2004-2005

	TOTAL
Base Funding	
Early Childhood Services (ECS)	$848,844
Base Instruction (Gr 1-12)	$25,169,937
Outreach Programs	$52,020
Home Education	$203,109
Differential Cost Funding *	$13,042,934
Other Provincial Support	
Institutional Programs	$111,822
Regional Consortium (6 boards) and Regional Educational Consulting Services (4 boards)	$0
Learning Resources Credit	$59,355
Federal French Funding	
Provincial Priority Targeted Funding	
Class Size Initiative	$702,227
Student Health Initiative (SHI)	$0
Alberta Initiative for School Improvement (AISI)	$621,422
High Speed Networking	$39,004
Children and Youth with Complex Needs	$0
Other Alberta Education Revenues (describe) Prior Year adjs, Misc Grant, Compuer Grant, AE teacher time/rebill, studies	$204,064
Total Alberta Education Revenues	$41,054,738

* Differential Cost Funding is based on distribution formulas designed to address variable cost factors and incremental costs associated with other variables and specific student populations. Included in differential cost funding are allocations for students with severe disabilities, English as a second language students, Francisation and support services for immigrant students, aboriginal students, gifted & talented early childhood services children and those with mild or moderate or severe disabilities, the percentage of the student population experiencing low socio-economic status, small schools by necessity, intra-jurisdiction distances, year to year enrolment fluctuations, small school board administration, schools located in the north, boarding, transportation, stabilization of funding, and cost differences among school jurisdictions for purchasing goods and services.

School Jurisdiction Code: 0177

SCHEDULE C the AFS

ECS to Grade 12 INSTRUCTION PROGRAMS Expense Details - 2004-2005

SUB-PROGRAMS & INITIATIVES	ECS to GRADE 12 Instruction						
	Certificated Remuneration	Uncertificated Remuneration	Services, Contracts & Supplies [1]	Learning Resources	Cost Recoveries & Transfers	Other Expenses [2]	TOTAL EXPENSES
School Administration & All Instruction Support	$2,194,523	$1,668,965	$244,322		$3	$0	$4,107,813
Mild & Moderate Disabilities/Gifted & Talented (ECS-12)	$1,072,010	$173,604	$57,148		$27,027		$1,329,789
ECS Program Unit (PUF)	$0	$302,360	$145,643		$0		$448,004
Severe Disabilities (Gr 1-12)	$536,007	$1,562,440	$158,719		$4,170		$2,261,336
English as a Second Language	$173	$0	$65,611		$505,887		$571,671
French Language Program & Francisation (all jurisdictions)	$0	$0	$0		$0		$0
First Nations, Metis and Inuit Education (ECS - Gr 12)	$71,280	$199,109	$38,681		$2,004		$311,075
Home Education	$90,895	$51,747	$80,642		$25		$223,309
Institutional Programs	$92,682	$61,893	$26,379		$408		$181,362
Alberta Initiative for School Improvement	$652,046	$0	$6,682	$1,750	$956		$661,434
Student Health Initiative	$0	$0	$0		$0		$0
High Speed Networking			$27,020		$0		$27,020
Class Size	$702,227	$0	$0	$0	$0		$702,227
Children and Youth with Complex Needs (ECS - Gr 12)	$0	$0	$0		$0		$0
All Other Student Instruction Expenses (ECS - Gr 12)	$21,230,923	$1,234,916	$2,528,900	$350,365	($74,161)	$172,341	$26,627,400
TOTAL EXPENSES	$26,642,766	$5,255,034	$3,379,747	$352,115	$466,319	$172,341	$37,452,438

FULL-TIME-EQUIVALENCIES (Board/Contract)	FTE Certificated	FTE Uncertificated
Mild & Moderate Disabilities/Gifted & Talented (ECS - Gr 12	13.4	6.9
ECS Program Unit (PUF)	0.0	12.1
Severe Disabilities (Gr 1-12)	6.7	62.3

Note 1 Excludes Learning Resources

Note 2 Includes Net School Generated Funds, Amortization, Interest, and Losses on Disposal of Instruction Program Capital Assets

School Jurisdiction Code: 0177

SCHEDULE D to the AFS
CALCULATION OF MAXIMUM ELIGIBLE EXPENSE LIMIT FOR BOARD (GOVERNANCE) AND SYSTEM ADMINISTRATION - 2004-2005

TOTAL EXPENSES	**$52,826,918**

STEP 1

Calculation of maximum expense limit PERCENTAGE for Board and System Administration expenses

If "Total Net Enrolled Students" are 6,000 and over	= 4%	**4.48%**
If "Total Net Enrolled Students" are 2,000 and less	= 6%	

The Maximum Expense Limit for Board and System Administration is based on an arithmetical proration for the TOTAL FTE count for grades 1 -12, net of Home Education AND Adult students, between 2,000 to 6,000 at .0005 per FTE.

EXAMPLE: 4,500 FTE count grades 1-12 = 6,000 - 4,500 = 1,500 X .0005 = .75% plus 4% = maximum expense limit of 4.75%

Note: Calculation unnecessary if Total FTE is 6,000 or more, and 2,000 & less.

STEP 2

Calculate maximum expense limit AMOUNTS for Board and System Administration expenses

Maximum Expense Limit percentage (Step 1) x TOTAL EXPENSES		$2,366,646
Considerations for Charter Schools and Small School Boards:		
If **Charter School**, enter $56,100	$0	$0
If **School Board**, please enter your 04-05 Gr 1- 12 funded enrolment	0	
	$0	$0
MAXIMUM EXPENSE LIMIT		**$2,366,646**

STEP 3

Compare maximum expense limit amounts calculated in Step 2 to actual expenses (from Schedule A)

Actual Board Governance & System Administration expenses	$1,884,537
PLUS transfers to Restricted - Operating (Board/System Administration)	$0
LESS transfers from Restricted - Operating (Board/System Administration)	$0
TOTAL BOARD GOVERNANCE & SYSTEM ADMINISTRATION EXPENSES	$1,884,537
MAXIMUM EXPENSE LIMIT	$2,366,646
ACTUAL EXPENSES - OVER(UNDER) MAXIMUM EXPENSE LIMIT	-$482,109

School Jurisdiction Code: 0177

SCHEDULE E to the AFS
SOURCE & APPLICATION OF SCHOOL GENERATED FUNDS (SGF) - 2004-2005

	Gross SGF	Related Expenses	Net SGF	
Unexpended SGF - Opening Balance August 31, 2004 (Note 1)				$852,657
Source of Net School Generated Funds:				
Fundraising activities	$1,275,866	$637,799	$638,067	
Student fees (Non-Instructional) (Note 2)	$447,766		$447,766	
Donations and grants to schools	$78,407		$78,407	
Other (describe): Bank interest etc	$15,839		$15,839	
Net Additions to SGF	$1,817,878	$637,799		$1,180,079
Net SGF Available for Discretionary Spending				$2,032,736
Application of Net School Generated Funds:				
Extra-curricular activities			$1,159,157	
School beautification			$0	
Field Trips			$0	
Equipment			$24,961	
Family literacy and other community resources			$0	
Other (describe):			$0	
Net SGF Expended for Discretionary Purposes (Note 3)				$1,184,117
Unexpended SGF - Closing Balance August 31, 2005 (Note 4)				$848,619

School Generated Funds (SGF) are funds raised in the community for student activities that come under the control and responsibility of school management. These funds are usually collected and retained at the school for expenditures paid at the school level. SGF does not include fees with respect to instructional supplies or materials collected pursuant to Section 60(2)(j) of the *School Act*, and any other funds collected at the school but remitted to central office and accounted for by the jurisdiction (facility rentals, capital assets purchases, etc.)

Note 1 Input "(Restated)" beside Balance at August 31, 2004 where not taken from the finalized 2003-2004 Audited Financial Statements.

Note 2 Excludes fees collected pursuant to Section 60(2)(j) of the School Act (fees with respect to instructional supplies or materials - essentially textbooks, resource materials in lieu of textbooks, media, software, and materials for classrooms). Amounts collected for CEU-related activities are recorded as instruction resource fees, not SGF.

Note 3 Net SGF Expended for Discretionary Purposes is recorded as revenue and expense in the Statement of Revenues & Expenses.

Note 4 Unexpended SGF is carried forward to the Statement of Financial Position.

School Jurisdiction Code: 0177

SCHEDULE F to the AFS
Operations and Maintenance Program Expenses - 2004-2005

EXPENSES	Custodial	Maintenance	Utilities and Telecommunications	Expensed Mod./I.M.P. & Portable Relocations	Facility Planning & Operations Administration	SUB-TOTAL Operations & Maintenance	Supported Capital & Debt Services	TOTAL Operations and Maintenance
Uncertificated salaries and wages	$130,047	$324,260	$0	$67,744	$132,221	$654,271		$654,271
Uncertificated benefits	$33,889	$64,438	$0	$13,677	$23,276	$135,280		$135,280
Sub-total Remuneration	$163,936	$388,698	$0	$81,421	$155,497	$789,551		$789,551
Contracted Services	$1,109,441	$551,104	$0	$518,058	$10,045	$2,188,647		$2,188,647
Supplies	$95,897	$319,678	$0	$58,626	$7,810	$482,010		$482,010
Electricity			$599,444			$599,444		$599,444
Natural Gas/Heating Fuel			$449,686			$449,686		$449,686
Sewer and Water			$85,637			$85,637		$85,637
Telecommunications			$0			$0		$0
Insurance					$162,196	$162,196		$162,196
Amortization of capital assets								
Supported							$1,396,779	$1,396,779
Unsupported						$35,299		$35,299
Total Amortization						$35,299	$1,396,779	$1,432,078
Interest on capital debt								
Supported							$1,056,891	$1,056,891
Unsupported				$0		$0		$0
Other interest charges						$0		$0
Losses on disposal of capital assets						$0		$0
Cost recoveries & transfers						($160,080)		($160,080)
TOTAL EXPENSES	$1,369,273	$1,259,479	$1,134,767	$658,104	$335,548	$4,632,390	$2,453,670	$7,086,060
SQUARE METRES								
School Buildings								75,033.0
Non School Buildings								5,840.0
UNCERTIFICATED FTE'S (Board/Contract)	3.5	6.2						

Notes:

Custodial:	All expenses related to activities undertaken to keep the school environment clean and safe
Maintenance:	All expenses associated with the repair, replacement and minor construction of buildings, grounds and equipment components. This includes regular and preventative maintenance undertaken to ensure components reach or exceed their life cycle and the repair of broken components
Utilities & Telecommunications:	All expenses related to electricity, natural gas and other heating fuels, sewer and water and all forms of telecommunications
Expensed Block Mod/I.M.P. & Portable Relocations:	All expenses associated with non-capital activites related to Block Modernization, Infrastructure Maintenance Programs (AKA Building Quality Restoration Program) and portable relocations.
Facility Planning & Operations Administration:	All expenses related to the administration of operations and maintenance including (but not limited to) contract administration, clerical functions, negotiations, supervision of employees and contractors, administration of capital projects (including new schools, I.M.P., block modernization and portable relocations), administration of joint-use agreements, and all expenses related to ensuring compliance with health and safety statndards, codes and government regulations
Supported Capital & Debt Services:	All expenses related to supported capital assets amortization and interest on supported capital debt

School Jurisdiction Code: 0177

SCHEDULE G to the AFS
DISCLOSURE OF SALARIES AND BENEFITS - 2004-2005
(SECTION 148.1 OF THE SCHOOL ACT)

		FTEs	Remuneration	Benefits	Allowances	Performance Bonuses	ERIP's / Other	Total	Expenses
Chairperson:									
Name	Sonia Ens	0.8	$14,214	$4,356	$0			$18,570	$8,043
Name	Lynne Phillips	0.2	$2,682	$620	$0			$3,302	$1,460
Other Board Members:									
Name	Sonia Ens	0.2	$2,843	$871	$0			$3,714	$1,143
Name	Lynne Phillips	0.8	$13,408	$3,100	$0			$16,508	$8,782
Name	Tammy Day	0.8	$12,909	$3,787	$0			$16,696	$8,516
Name	Olive Emerson	1.0	$14,144	$4,334	$0			$18,478	$8,300
Name	Dana Mc Intosh	0.8	$10,374	$3,904	$0			$14,278	$5,853
Name	Wendy Olson-Lepchuk	0.8	$12,242	$4,156	$0			$16,398	$7,687
Name	Sherry Peterson	0.8	$9,574	$3,031	$0			$12,605	$7,185
Name	Christine Schlief	1.0	$12,109	$4,668	$0			$16,776	$3,141
Name	James Sherman	1.0	$12,791	$3,824	$0			$16,615	$6,168
Name	Debra Baldesrton	0.2	$1,668	$565	$0			$2,233	$298
Name	Jacqueline Lee	0.2	$1,501	$735	$0			$2,236	$676
Name	James Robertson	0.2	$1,468	$721	$0			$2,189	$284
Name	Anne Shumard	0.2	$1,601	$734	$0			$2,335	$45
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Subtotal		*9.0*	*$123,526*	*$39,407*	*$0*			*$162,934*	*$67,579*
Superintendent	Darwn Eckstrom	1.0	$122,629	$10,149	$0	$0	$0	$132,778	$9,012
Superintendent		0.0	$0	$0	$0	$0	$0	$0	$0
Secretary/Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Secretary/Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Board Secretary	Joann Vanstone	1.0	$48,189	$11,067	$0	$0	$0	$59,256	$7,510
Board Secretary		0.0	$0	$0	$0	$0	$0	$0	$0
Board Treasurer	Leslie Cage	1.0	$83,849	$16,355	$0	$0	$0	$100,204	$9,236
Board Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Certificated Salaries		331.7	$24,133,584	$2,665,566	$0	$0	$0	$26,799,150	
Uncertificated Salaries & Wages		311.0	$8,398,205	$1,808,464	$0	$0	$0	$10,206,669	
TOTALS			**$32,909,983**	**$4,551,008**	**$0**	**$0**	**$0**	**$37,460,991**	

Note: Please refer to completion information on page 15.

School Jurisdiction Code 1175

AUDITED
FINANCIAL STATEMENTS
and Supporting Schedules
FOR THE YEAR ENDED AUGUST 31, 2005

[School Act, Sections 147(2)(a), 148, 151(1) and 276]

PEMBINA HILLS REGIONAL DIVISION NO. 7
Legal Name of School Jurisdiction

5310 49 Street Barrhead, AB T7N 1P3
Mailing Address

Telephone: (780)674-8500 Fax: (780)674-3262
Telephone and Fax Numbers

SCHOOL JURISDICTION MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The financial statements and supporting schedules PEMBINA HILLS REGIONAL DIVISION NO. 7 (Name of School Jurisdiction) presented to Alberta Learning have been prepared by school jurisdiction management which has responsibility for their preparation, integrity and objectivity. The financial statements and schedules, including notes, have been prepared in accordance with generally accepted accounting principles and Ministerial requirements for Alberta school jurisdictions.

In fulfilling its reporting responsibilities, management has maintained internal control systems and procedures designed to provide reasonable assurance that the school jurisdiction's assets are safeguarded, that transactions are executed in accordance with appropriate authorization and that accounting records may be relied upon to properly reflect the school jurisdiction's transactions. The effectiveness of the control systems is supported by the selection and training of qualified personnel, an organizational structure that provides an appropriate division of responsibility and a strong budgetary system of control.

Board of Trustees Responsibility
The ultimate responsibility for the financial statements lies with the Board of Trustees. The Board reviewed the financial statements with management in detail and the Board approved the financial statements for release.

External Auditors
The Board appoints external auditors to audit the financial statements and meets with the auditors to review their findings. The external auditors have full and free access to school jurisdiction records.

Declaration of Management and Board Chairman
To the best of our knowledge and belief, these financial statements and supporting schedules reflect, in all material respects, the financial position and results of operations and cash flows for the year in accordance with generally accepted accounting principles and Ministerial requirements for Alberta school jurisdictions.

BOARD CHAIRMAN

Clayton Jespersen — "ORIGINAL SIGNED"
Name — **Signature**

SUPERINTENDENT

David Panas — "ORIGINAL SIGNED"
Name — **Signature**

SECRETARY TREASURER OR TREASURER

Tracy J. Meunier, CGA — "ORIGINAL SIGNED"
Name — **Signature**

November 9, 2005
Board-approved Release Date

c.c. **ALBERTA EDUCATION, School Reporting Branch,**
8th Floor Commerce Place, 10155-102 Street, Edmonton AB T5J 4L5
EMAIL: Cindy.Jarry@gov.ab.ca
PHONE: (780) 427-7782 FAX: (780) 422-6996

Clews & Shoemaker
CHARTERED ACCOUNTANTS
Graham Rex Clews Professional Corporation ◆ John S. Shoemaker Professional Corporation

AUDITOR'S REPORT

To the Board of Trustees of the Pembina Hills Regional Division No. 7:

We have audited the statement of financial position of Pembina Hills Regional Division No. 7 as at August 31, 2005, and the statements of revenues and expenses, cash flows, changes in net assets and capital allocations for the year then ended. These financial statements are the responsibility of the school jurisdiction's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance as to whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of Pembina Hills Regional Division No. 7 as at August 31, 2005, and the results of its operations, changes in cash flows, net assets and capital allocations for the year then ended in accordance with the Canadian generally accepted accounting principles.

Our audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplementary information included in Schedules A through G is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such supplementary information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

Westlock, Alberta
October 21, 2005

CHARTERED ACCOUNTANTS

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Box 5180, Westlock, AB T7P 2P4
Telephone: (780) 349-3355 ◆ Edm. Direct: (780) 421-4796 ◆ Fax: (780) 349-6550 ◆ E-mail: clewsshoemaker@csca.cc

School Jurisdiction Code: 1175

STATEMENT OF FINANCIAL POSITION

as at August 31, 2005

(in dollars)

		2005	2004
ASSETS			
Current assets			
Cash and temporary investments		$4,583,726	$4,834,974
Accounts receivable (net after allowances)		$1,555,566	$2,081,110
Prepaid expenses		$58,542	$157,008
Other current assets		$331,918	$303,376
Total current assets		$6,529,752	$7,376,468
School generated assets		$392,268	$404,920
Trust assets		$93,080	$555,869
Long term accounts receivable		$0	$0
Long term investments		$0	$0
Capital assets			
Land		$512,834	$512,834
Buildings	$37,450,386		
Less: accumulated amortization	($22,331,428)	$15,118,958	$15,964,887
Equipment	$119,611		
Less: accumulated amortization	($87,685)	$31,926	$50,752
Vehicles	$6,172,216		
Less: accumulated amortization	($3,908,892)	$2,263,324	$2,030,929
Total capital assets		$17,927,042	$18,559,402
TOTAL ASSETS		$24,942,142	$26,896,659
LIABILITIES			
Current liabilities			
Bank indebtedness		$0	$0
Accounts payable and accrued liabilities		$1,273,584	$2,453,573
Deferred revenue		$439,055	$207,122
Deferred capital allocations		$0	$0
Current portion of all long term debt		$927,494	$927,494
Total current liabilities		$2,640,133	$3,588,189
School generated liabilities		$392,268	$404,920
Trust liabilities		$93,080	$555,869
Employee future benefits liability		$0	$0
Long term payables and accrued liabilities		$0	$0
Long term debt			
Supported:	Debentures and other supported debt	$6,517,699	$7,445,193
	Less: Current portion of supported debt	($927,494)	($927,494)
Unsupported:	Debentures and Capital Loans	$0	$0
	Capital Leases	$0	$0
	Mortgages	$0	$0
	Less: Current portion of unsupported debt	$0	$0
Unamortized capital allocations		$7,926,869	$7,889,070
Total long term liabilities		$14,002,422	$15,367,558
TOTAL LIABILITIES		$16,642,555	$18,955,747
NET ASSETS			
Unrestricted net assets		$903,069	$903,069
Operating Reserves		$2,682,902	$2,441,705
Accumulated Operating Surplus (Deficit)		$3,585,971	$3,344,774
Investment in capital assets		$3,482,474	$3,225,139
Capital Reserves		$1,231,142	$1,370,999
Total Capital Funds		$4,713,616	$4,596,138
Total net assets		$8,299,587	$7,940,912
TOTAL LIABILITIES AND NET ASSETS		$24,942,142	$26,896,659

Note: Input "(Restated)" in 2004 column heading where comparatives are not taken from the finalized 2003-2004 Audited Financial Statements

School Jurisdiction Code: 1175

STATEMENT OF REVENUES AND EXPENSES

for the Year Ended August 31, 2005

(in dollars)

	Actual 2005	Budget 2005	Actual 2004
REVENUES			
Government of Alberta	$39,326,806	$37,047,722	$38,174,818
Federal Government and/or First Nations	$42,055	$85,910	$173,658
Other Alberta school authorities	$10,062	$0	$10,837
Out of province authorities	$0	$0	$0
Alberta Municipalities (excluding supplementary requisitions)	$20,910	$14,500	$14,210
Instruction resource fees	$269,265	$265,917	$356,562
Transportation fees	$99,334	$107,700	$112,101
Other sales and services	$792,710	$624,778	$899,329
Investment income	$157,602	$208,730	$195,423
Gifts and donations	$0	$0	$2,640
Rentals of facilities	$45,856	$49,150	$45,448
Net school generated funds	$417,347	$813,646	$787,975
Gains on disposal of capital assets	$59,142	$6,000	$57,066
Amortization of capital allocations	$889,695	$882,617	$896,085
Total Revenues	$42,130,784	$40,106,670	$41,726,152
EXPENSES			
Certificated salaries	$17,790,412	$15,719,475	$17,901,454
Certificated benefits	$2,470,889	$2,193,567	$2,045,455
Uncertificated salaries and wages	$7,416,889	$7,310,962	$7,363,969
Uncertificated benefits	$1,500,288	$1,458,301	$1,472,220
Services, contracts and supplies	$9,674,509	$9,726,742	$9,578,202
Net school generated funds	$417,347	$813,646	$787,975
Capital and debt services			
Amortization of capital assets			
Supported	$889,695	$882,617	$896,085
Unsupported	$432,971	$483,629	$449,203
Total Amortization of capital assets	$1,322,666	$1,366,246	$1,345,288
Interest on capital debt			
Supported	$1,179,109	$1,517,433	$1,344,511
Unsupported	$0	$0	$0
Total Interest on capital debt	$1,179,109	$1,517,433	$1,344,511
Other interest charges	$0	$12,683	$3,433
Losses on disposal of capital assets	$0	$0	$0
Total Expenses	$41,772,109	$40,119,055	$41,842,507
SURPLUS (DEFICIT) OF REVENUES OVER EXPENSES BEFORE EXTRAORDINARY ITEM	$358,675	($12,385)	($116,355)
Extraordinary Item	$0	$0	$0
SURPLUS (DEFICIT) OF REVENUES OVER EXPENSES	$358,675	($12,385)	($116,355)

Note: Input "(Restated)" in Budget 2005 and/or Actuals 2004 column headings where comparatives are not taken from the respective finalized 2004-2005 Budget Report and/or finalized 2003-2004 Audited Financial Statements.

School Jurisdiction Code: 1175

STATEMENT OF CASH FLOWS

for the Year Ended August 31, 2005

(in dollars)

	2005	2004
CASH FLOWS FROM:		
A. OPERATIONS		
Surplus (deficit) of revenues over expenses for the year	$358,675	($116,355)
Add (Deduct) items not requiring cash		
Amortization of capital allocations revenue	($889,695)	($896,085)
Total amortization expense	$1,322,666	$1,345,288
Gains on disposal of capital assets	($59,142)	($57,066)
Losses on sale of capital assets	$0	$0
Changes in accrued accounts:		
Accounts receivable	$525,544	($748,797)
Prepaids and other current assets	$69,924	$132,842
Long term accounts receivable	$0	$0
Long term investments	$0	$0
Payables and accrued liabilities	($1,179,989)	$639,854
Deferred revenue	$231,933	($843,922)
Employee future benefit expense (recovery)	$0	$0
Other (describe)	$0	$0
Total sources (uses) of cash from Operations	$379,916	($544,241)
B. INVESTING ACTIVITIES		
Purchases of capital assets		
Land	$0	$0
Buildings	($68,667)	($95,758)
Equipment	$0	$0
Vehicles	($668,497)	($8,945)
Net proceeds from disposal of capital assets	$106,000	$57,065
Other (describe)	$0	($68,658)
Total sources (uses) of cash from Investing activities	($631,164)	($116,296)
C. FINANCING ACTIVITIES		
Capital allocations	$0	$0
Issue of long term debt	$0	$0
Repayment of long term debt	($927,494)	($976,059)
Add back: supported portion	$927,494	$976,058
Other (describe)	$0	$0
Total sources (uses) of cash from Financing activities	$0	($1)
Net sources (uses) of cash during year	($251,248)	($660,538)
Cash and temporary investments, net of bank indebtedness, at Aug. 31/04	$4,834,974	$5,495,512
Cash and temporary investments, net of bank indebtedness, at Aug. 31/05	$4,583,726	$4,834,974

Note: 1 Input "(Restated)" in 2004 column heading where not taken from the finalized 2003-2004 Audited Financial Statements.

2 Cash and temporary investments are net of cash obligations.

School Jurisdiction 1175

STATEMENT OF CHANGES IN NET ASSETS
for the Year Ended August 31, 2005

(in dollars)

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
	TOTAL NET ASSETS Cols. 2+3+4	INVESTMENT IN CAPITAL ASSETS	UNRESTRICTED NET ASSETS	TOTAL INTERNALLY RESTRICTED NET ASSETS Cols. 5 to 14	INTERNALLY RESTRICTED NET ASSETS									
					School Based		Infrastructure		Board & System Admin.		Transportation		External Services	
					Operating Reserves	Capital Reserves	O& M Operating Reserves	Capital Reserves	Operating Reserves	Capital Reserves	Operating Reserves	Capital Reserves	Operating Reserves	Capital Reserves
Balance at August 31, 2004	$7,940,912	$3,225,139	$903,069	$3,812,704	$2,105,956	$0	$46,658	$144,411	$74,519	$244,596	$158,137	$981,992	$56,435	$0
Prior period adjustments (describe)														
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Adjusted Balance,Aug.31, 2004	$7,940,912	$3,225,139	$903,069	$3,812,704	$2,105,956	$0	$46,658	$144,411	$74,519	$244,596	$158,137	$981,992	$56,435	$0
Surplus(def) of revenue over expenses	$358,675		$358,675											
Board funded capital transactions		$737,164	$0	($737,164)	$0	$0	$0	$0	($68,667)	$0	$0	($668,497)	$0	$0
Direct credits to net assets	$0	$0												
Amortization of capital assets		($1,322,666)	$1,322,666											
Amortization of capital allocations		$889,695	($889,695)											
Disposal of unsupported capital assets	$0	($46,858)	$46,858	$0		$0		$0		$0		$0		$0
Disposal of supported capital assets (board funded portion)	$0	$0	$0	$0		$0		$0		$0		$0		$0
Debt principal payments (unsupported)		$0	$0											
Net transfers to operating reserves			($499,359)	$499,359	$441,150		$3,578		$51,053		$3,578		$0	
Net transfers from operating reserves			$189,495	($189,495)	$0		($130,973)		$0		($52,366)		($6,156)	
Net transfers to capital reserves			($528,640)	$528,640		$0		$65,082		$0		$463,558		$0
Net transfers from capital reserves			$0	$0		$0		$0		$0		$0		$0
Balance at August 31, 2005	$8,299,587	$3,482,474	$903,069	$3,914,044	$2,547,106	$0	($80,737)	$209,493	$56,905	$244,596	$109,349	$777,053	$50,279	$0

School Jurisdiction Code: 1175

STATEMENT OF CAPITAL ALLOCATIONS
(SUPPORTED CAPITAL FINANCING ONLY)

for the Year Ended August 31, 2005

(in dollars)

	Deferred Capital Allocations	Unamortized Capital Allocations
Balance at August 31, 20	$0	$7,889,070
Prior period adjustment	$0	$0
Adjusted balance, August 31, 2004	$0	$7,889,070
Add:		
Capital allocations from: Infrastructure and Transportation-New/Modernization Projects	$0	
Other Government of Alberta	$0	
Federal Government and/or First Nations	$0	
Other sources	$0	
Interest earned on provincial government capital allocations	$0	
Other capital grants and donations	$0	
Proceeds on disposal of supported capital assets	$0	
Insurance proceeds	$0	
Donated capital assets (amortizable, at Fair Market Value)		$0
Transferred in capital assets (amortizable, at Net Book Value)		$0
Current Year Debenture Principal Repayment		$927,494
Expended capital allocations - current year	$0	$0
Less:		
Unamortized Capital Allocation affected by a disposal through transfer out		$0
Capital allocations amortized to revenue		$889,695
Balance at August 31, 2005	$0	$7,926,869

1. AUTHORITY AND PURPOSE

Pembina Hills Regional Division No. 7 delivers education programs under the authority of the School Act, Revised Statutes of Alberta 2000, Chapter S-3.

The jurisdiction receives instruction and support allocations under Regulation 77/2003.
The regulation allows for the setting of conditions and use of grant monies. Pembina Hills Regional Division No. 7 is limited on certain funding allocations and administration expenses.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

These financial statements have been prepared in accordance with Canadian Generally Accepted Accounting Principles (GAAP). The precise determination of many assets and liabilities is dependent on future events. As a result, the preparation of financial statements for a period involves the use of estimates and approximations, which have been made using careful judgement. Actual results could differ from those estimates and approximations. The financial statements have, in management's opinion, been properly prepared with reasonable limits of materiality and within the framework of the accounting policies summarized below:

a) Revenue Recognition

Revenue is recognized as follows:

Instruction and support allocations are recognized in the year to which they relate.

Fees for services related to courses and programs are recognized as revenue when such courses and programs are delivered.

Unrestricted contributions are recognized as revenue when received and receivable.
Contributions in-kind are recorded at fair market value when reasonably determinable.

Externally restricted contributions are deferred and recognized as revenue in the period in which the restriction is complied with. Endowment funds are recognized as direct increase in net assets in the period in which they are received or receivable.

PEMBINA HILLS REGIONAL DIVISION NO. 7

Notes to the Financial Statements
For the Year Ended August 31, 2005

b) Capital Assets

Capital assets are recorded at cost, and are amortized over their estimated useful lives on a straight line basis, at the following rates:

Buildings	2.5% to 4%
Equipment & Furnishings	10% to 20%
Vehicles & Buses	10% to 20%

Capital assets with costs in excess of $5,000 are capitalized. Capital allocations received for asset additions are amortized into revenue over the same period as the amortization expense.

c) School Generated Funds

These are funds which come under the control and responsibility of a school principal for school activities. They are usually collected, retained, and expended at the school level (e.g. yearbook sales, graduation fees, field trip fees, etc.)

d) Vacation Pay

Vacation Pay is accrued in the period in which the employee earns the benefit. Accumulated sick leave is not recorded as it is not paid to the employee if not taken.

e) Pensions

Pension costs included in these statements comprise the cost of employer contributions for current service of employees during the year.

The current service and past service costs of the Alberta Teacher Retirement Fund are met by contributions by active members and the Government of Alberta. Under the terms of the Teachers Pension Plan Act, the Pembina Hills Regional Division No. 7 does not make pension contributions for certificated staff.

The school board participates in the multi-employer pension plan, Local Authorities Pension Plan, and does not report on any unfunded liabilities. The expense for this pension plan is equivalent to the annual contributions of $166,825 for the Year ended August 31, 2005. (2004 = $142,893). At December 31, 2004, the Local Authorities Pension Plan reported an actuarial deficiency of $1,288,924,000 (2003 deficiency of $1,453,487,000).

f) Inventories

Inventories are recorded at the lesser of cost and estimated net realizable value.

g) Prepaid Expenses

Certain expenditures incurred and paid before the close of the school year are for school supplies which will be consumed subsequent to the year-end, and are accordingly recorded as prepaid expenses. Certain insurance expenses fall into this category.

h) Contributed Services

Volunteers contribute a considerable number of hours per year to various schools within Pembina Hills Regional Division No. 7 to ensure that certain programs are delivered, such as kindergarten, lunch services and the raising of school generated funds. Because of the difficulty of compiling these hours and the fact that these services are not otherwise purchased, contributed services are not recognized in the financial statements.

i) Financial Instruments

The jurisdiction's financial instruments consist of cash, accounts receivable, accounts payable, accrued liabilities, and long-term debt. It is management's opinion that the jurisdiction is not exposed to significant interest, currency or credit risks arising from these financial instruments. Unless otherwise noted, the fair values of these financial instruments approximate their carrying values. The jurisdiction has invested surplus funds in accordance with Section 60 of the School Act and Section 5 of the Trustees Act.

j) Operating and Capital Reserves

Reserves are established at the discretion of the Board of Trustees of Pembina Hills Regional Division No. 7, to set aside funds for operating and capital purposes. Such reserves are appropriations of unrestricted net assets.

k) Employee Future Benefits

The jurisdiction accrues its obligations under employee future benefit plans and expenses the related costs. There is no financial impact on the jurisdiction at this time.

l) Investments

Investments are recorded at the lower of cost and market value.

PEMBINA HILLS REGIONAL DIVISION NO. 7
Notes to the Financial Statements
For the Year Ended August 31, 2005

3. ACCOUNTS RECEIVABLE

	2005	2004
Alberta Education	$620,337	$68,518
Alberta Infrastructure and Transportation	34,160	1,065,629
Alberta Finance	378,045	437,506
Other Province of Alberta	7,772	7,800
Federal Government	78,887	119,709
Alberta Municipalities	8,135	9,834
Other Alberta School Jurisdictions	0	0
Due from Alberta Distance Learning Centre	115,500	0
Other	312,730	372,114
Total	**$1,555,566**	**$2,081,110**

4. OTHER CURRENT ASSETS

	2005	2004
Patronage Reserves	$10,409	$8,523
Inventories:		
Cafeteria food and supplies	1,347	2,004
Bus garages parts and tires	248,961	212,858
Maintenance shops supplies	71,201	79,991
Total	**$331,918**	**$303,376**

5. BANK INDEBTEDNESS

The jurisdiction has negotiated a line of credit in the amount of $2,000,000 that bears interest at the bank prime rate. This line of credit, which is secured by a borrowing bylaw and a security agreement, covering all revenue of the jurisdiction. There was no balance outstanding on the line of credit at August 31, 2005.

PEMBINA HILLS REGIONAL DIVISION NO. 7
Notes to the Financial Statements
For the Year Ended August 31, 2005

6. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	2005	2004
Alberta Education	$40,364	$0
Alberta Infrastructure and Transportation	0	0
Alberta Finance	378,045	437,506
Province of Alberta	0	7,193
Federal Government	4,199	2,409
Alberta Municipalities	0	0
Due to Alberta Distance Learning Centre	0	680,779
Other Trade Payables and Accrued Liabilities	850,976	1,325,686
Total	**$1,273,584**	**$2,453,573**

7. DEFERRED REVENUE

	2005	2004
Federal Government - Diabetes Program	0	14,826
Federal Government - Meadowview CAP Program	17,810	14,350
Alberta Initiative for School Improvement	11,999	96,099
Class Size Initiative	45,253	0
Early Literacy Initiative	0	8,806
2004/05 Special Funding - Textbooks and Other Classroom Resources	87,144	0
2005 Infrastructure Maintenance Program	162,496	0
Aspen Student Health Initiative Partnership	30,000	0
Other	84,353	73,041
Total	**$439,055**	**$207,122**

8. OTHER REVENUE FROM ALBERTA EDUCATION

	2005	2004
Microsoft License Rebate	$5,095	$0
2004/05 Special Funding - Video-Conferencing Equipment	60,000	0
2004/05 Special Funding - Textbooks and Other Classroom Resources	42,856	0
2003/04 1 time Funding - ECS Special Transportation	0	5,577
2003/04 1 time Funding - Severe Disabled	0	54,000
Alberta OnLine Consortium	0	573,627
Total	**$107,951**	**$633,204**

PEMBINA HILLS REGIONAL DIVISION NO. 7
Notes to the Financial Statements
For the Year Ended August 31, 2005

9. TRUST ASSETS AND LIABILITIES

These balances represent cash that is held in trust by the jurisdiction for the following areas:

	2005	2004
Aspen Student Health Initiative Partnership (Banker Board)	$0	$458,206
Fort Assiniboine School - Playground project	0	16,046
Deferred Salary Leave	15,219	9,969
Endowment funds for scholarships	77,861	71,648
	$93,080	**$555,869**

10. LONG-TERM DEBT

The debenture debt bears interest at rates varying between 6% and 12%. The debenture debt is fully supported by Alberta Finance. Debenture payments due over the next five years and beyond are as follows:

	Principal	Interest	Total
2005-2006	901,191	699,367	1,600,558
2006-2007	894,010	600,586	1,494,596
2007-2008	853,991	502,594	1,356,585
2008-2009	817,249	408,730	1,225,979
2009-2010	644,001	319,099	963,100
2110 to maturity	2,407,257	785,502	3,192,759
	$6,517,699	**$3,315,878**	**$9,833,577**

11. ALBERTA DISTANCE LEARNING CENTRE - MANAGEMENT SERVICES FEE

Effective June 2, 1997, Pembina Hills Regional Division No. 7 assumed responsibility for the operation of the Alberta Distance Learning Centre from the Department of Education. The Board and System Administration of Pembina Hills charge their subsidiary, ADLC, a management services fee to provide them with Board and System Administration services. The fee is calculated using the maximum expense limit percentage for Board and System Administration for its community schools, multiplied by ADLC's revenue. The fee is netted out of Pembina Hills Board and System Administration expenses. For the year ended August 31, 2005, the management services fee amounted to $404,127, broken down as follows:

11. ADLC - MANAGEMENT SERVICES FEE (cont.)

	2005	2004
Board governance fees	$25,000	$15,000
Benefits - board governance	6,000	4,000
Certificated salaries	129,000	112,000
Uncertificated salaries	137,000	119,000
Benefits - system administration	42,000	35,916
Services, contracts and supplies	65,127	26,396
	$404,127	**$312,312**

12. VISTA VIRTUAL SCHOOL

Pembina Hills Regional Division No. 7 operates a virtual school, known as the Vista Virtual School, under the authority of the School Act and contracts its subsidiary, the Alberta Distance Learning Centre, to provide the educational services for students registered. Pembina Hills records the funding received from the virtual school and includes the student count in their jurisdiction count. The amount of funding transferred to ADLC is recorded as an expense to Pembina Hills. ADLC nets the amount transferred from Pembina Hills for the virtual school against their expenses.

For 2004/05 there were 1,238 funded students registered with Vista Virtual School (2003/04-1,121). Many of the Vista Virtual students are in grades 11 and 12, returning to high school and taking only one (1) to two (2) courses each.

The total amount of funding transferred to ADLC for the educational services of Vista Virtual students is as follows:

	2005	2004
Certificated Salaries, Student Instruction	$819,818	$879,327
Certificated Benefits, Student Instruction	93,161	100,003
Contracts, Services & Supplies, Student Instruction	488,165	510,246
Cert. Salaries, School Admin. & Instruction Support	335,380	354,611
Cert. Benefits, School Admin. & Instruction Support	37,264	45,311
Uncert. Salaries, School Admin. & Instruction Support	74,529	78,802
Uncert Benefits, School Admin. & Instruction Support	14,906	15,760
	$1,863,223	**$1,984,060**

13. DEFERRED CAPITAL ALLOCATIONS

Deferred capital allocations represent externally-restricted supported capital funds provided for a specific capital purpose received or receivable by the jurisdiction, but the related expenditure had not been made at year-end. When expended, these deferred capital allocations are transferred to unamortized captial allocations.

14. UNAMORTIZED CAPITAL ALLOCATIONS

Unamortized captial allocations represent externally-restricted supported capital funds that have been expended, but have yet to be amortized over the useful life of the related capital asset. The unamortized capital allocations account balance is increased by transfers of deferred capital allocations expended, as well as fully-supported debenture principal repayments.

15. COMMITMENTS

The School Division has no major commitments for the ensuing fiscal year.

16. CONTINGENCIES

The jurisdiction is a member of a reciprocal insurance exchange called ALAIRE. A portion of the premiums paid each year represents equity contributions to the insurance fund. The payments have been recorded as expenses in the financial statements, as the value of equity is subject to liability claims.

17. ECONOMIC DEPENDENCE ON RELATED THIRD PARTY

Pembina Hills Regional Division No. 7's primary source of income is from the Alberta Government. The Division's ability to continue viable operations is dependent on this funding.

18. BUDGET AMOUNTS

The budget was prepared by the school jurisdiction and approved by the Board of Trustees on May 12, 2004. It is presented for information purposes only.

19. COMPARATIVE FIGURES

The comparative figures have been reclassified where necessary to conform to the 2005 presentation.

SCHEDULE A to the AFS

School Jurisdiction Cod 1175

ALLOCATION OF REVENUES AND EXPENSES TO PROGRAMS - 2004-2005

	REVENUES	TOTAL	ECS to Grade 12 Instruction	Operations and Maintenance of Schools & Maintenance Shops	Transportation	Board & System Admin.	External Services
(1)	**Alberta Education Revenues**	$36,000,453	$29,115,343	$1,245,821	$4,138,477	$1,500,812	$0
	Alberta Infrastructure and Transportation						
(2)	Infrastructure Maintenance Program & Portable Relocations support	$338,340	$0	$338,340			
(3)	Regular Operations & Maintenance support	$1,744,149		$1,744,149			
(4)	Other support	$0	$0	$0			
(5)	**Total Alberta Infrastructure and Transportation Revenues**	$2,082,489	$0	$2,082,489			
(6)	**Alberta Finance**	$1,179,109		$1,179,109			$0
(7)	**Other - Government of Alberta**	$64,755	$0	$0	$0	$0	$64,755
(8)	**Federal Government and/or First Nations**	$42,055	$39,740	$0	$2,315	$0	$0
(9)	**Other Alberta school authorities**	$10,062	$10,062	$0	$0	$0	$0
(10)	**Out of province authorities**	$0	$0	$0	$0	$0	$0
(11)	**Alberta municipalities** (excl. supplementary requisitions)	$20,910	$20,910	$0	$0	$0	$0
(12)	**Instruction resource fees**	$269,265	$269,265				
(13)	**Transportation fees**	$99,334			$99,334		
(14)	**Other sales and services**	$792,710	$378,542	$1,176	$111,140	$592	$301,260
(15)	**Investment income**	$157,602	$141,325	$7,989	$1,212	$6,896	$180
(16)	**Gifts and donations**	$0	$0	$0	$0		$0
(17)	**Rentals of facilities**	$45,856	$3,718	$42,138	$0	$0	$0
(18)	**Net school generated funds**	$417,347	$417,347			$0	
(19)	**Gains on disposal of capital assets**	$59,142	$0	$35,000	$24,142	$0	$0
(20)	**Amortization of capital allocations**	$889,695	$0	$889,695	$0		$0
(21)	**TOTAL REVENUES**	$42,130,784	$30,396,252	$5,483,417	$4,376,620	$1,508,300	$366,195
	EXPENSES						
(22)	**Certificated salaries**	$17,790,412	$17,611,307			$179,105	$0
(23)	**Certificated benefits**	$2,470,889	$2,437,113			$33,776	$0
(24)	**Uncertificated salaries and wages**	$7,416,889	$4,415,397	$535,784	$1,752,278	$578,884	$134,546
(25)	**Uncertificated benefits**	$1,500,288	$821,428	$117,640	$429,406	$103,433	$28,381
(26)	**SUB - TOTAL**	$29,178,478	$25,285,245	$653,424	$2,181,684	$895,198	$162,927
(27)	**Services, contracts & supplies**	$9,674,509	$4,112,825	$2,823,501	$1,925,177	$562,049	$250,957
(28)	**Cost recoveries & charges to programs**	$0	$136,292	$0	($94,759)	$0	($41,533)
(29)	**Net school generated funds**	$417,347	$417,347				
	Capital and debt services						
	Amortization of capital assets						
(30)	Supported	$889,695	$0	$889,695	$0	$0	$0
(31)	Unsupported	$432,971	$3,395	$40,671	$370,755	$18,150	$0
(32)	Total Amortization	$1,322,666	$3,395	$930,366	$370,755	$18,150	$0
	Interest on capital debt						
(33)	Supported	$1,179,109	$0	$1,179,109	$0	$0	$0
(34)	Unsupported	$0	$0	$0	$0	$0	$0
(35)	Other interest charges	$0	$0	$0	$0	$0	$0
(36)	Losses on disposal of capital assets	$0	$0	$0	$0	$0	$0
(37)	**TOTAL EXPENSES**	$41,772,109	$29,955,104	$5,586,400	$4,382,857	$1,475,397	$372,351
(38)	**SURPLUS (DEFICIT) BEFORE EXTRAORDINARY ITEM**	$358,675	$441,148	($102,983)	($6,237)	$32,903	($6,156)

School Jurisdiction Code: 1175

SCHEDULE B to the AFS

ALBERTA EDUCATION REVENUES 2004-2005

	TOTAL
Base Funding	
Early Childhood Services (ECS)	$908,157
Base Instruction (Gr 1-12)	$21,639,257
Outreach Programs	$104,040
Home Education	$11,790
Differential Cost Funding *	$11,271,031
Other Provincial Support	
Institutional Programs	$0
Regional Consortium (6 boards) and Regional Educational Consulting Services (4 boards)	$0
Learning Resources Credit	$64,308
Federal French Funding	$26,434
Provincial Priority Targeted Funding	
Class Size Initiative	$737,093
Student Health Initiative (SHI)	$323,937
Alberta Initiative for School Improvement (AISI)	$806,455
High Speed Networking	$0
Children and Youth with Complex Needs	$0
Other Alberta Education Revenues (describe): Video-conferencing, Microsoft License, Classroom Resource Funding	$107,951
Total Alberta Education Revenues	$36,000,453

* Differential Cost Funding is based on distribution formulas designed to address variable cost factors and incremental costs associated with other variables and specific student populations. Included in differential cost funding are allocations for students with severe disabilities, English as a second language students, Francisation and support services for immigrant students, aboriginal students, gifted & talented early childhood services children and those with mild or moderate or severe disabilities, the percentage of the student population experiencing low socio-economic status, small schools by necessity, intra-jurisdiction distances, year to year enrolment fluctuations, small school board administration, schools located in the north, boarding, transportation, stabilization of funding, and cost differences among school jurisdictions for purchasing goods and services.

School Jurisdiction Code: 1175

SCHEDULE C the AFS

ECS to Grade 12 INSTRUCTION PROGRAMS Expense Details - 2004-2005

SUB-PROGRAMS & INITIATIVES	ECS to GRADE 12 Instruction						
	Certificated Remuneration	Uncertificated Remuneration	Services, Contracts & Supplies [1]	Learning Resources	Cost Recoveries & Transfers	Other Expenses [2]	TOTAL EXPENSES
School Administration & All Instruction Support	$1,344,388	$1,711,669	$1,431,701		$41,533	$3,395	$4,532,686
Mild & Moderate Disabilities/Gifted & Talented (ECS-12)	$795,660	$601,999	$15,741		$0		$1,413,400
ECS Program Unit (PUF)	$99,848	$665,834	$224,083		$0		$989,765
Severe Disabilities (Gr 1-12)	$342,479	$1,822,872	$129,887		$0		$2,295,238
English as a Second Language	$0	$21,668	$0		$0		$21,668
French Language Program & Francisation (all jurisdictions)	$0	$0	$0		$0		$0
First Nations, Metis and Inuit Education (ECS - Gr 12)	$0	$44,546	$7,383		$0		$51,929
Home Education	$0	$0	$0		$0		$0
Institutional Programs	$0	$0	$0		$0		$0
Alberta Initiative for School Improvement	$530,403	$45,651	$230,401	$0	$0		$806,455
Student Health Initiative	$0	$0	$0		$0		$0
High Speed Networking			$0		$0		$0
Class Size	$737,093	$0	$0	$0	$0		$737,093
Children and Youth with Complex Needs (ECS - Gr 12)	$0	$0	$0		$0		$0
All Other Student Instruction Expenses (ECS - Gr 12)	$16,198,549	$322,586	$1,353,645	$719,984	$94,759	$417,347	$19,106,870
TOTAL EXPENSES	$20,048,420	$5,236,825	$3,392,841	$719,984	$136,292	$420,742	$29,955,104

FULL-TIME-EQUIVALENCIES (Board/Contract)	FTE Certificated	FTE Uncertificated
Mild & Moderate Disabilities/Gifted & Talented (ECS - Gr 1	10.4	25.1
ECS Program Unit (PUF)	1.6	27.7
Severe Disabilities (Gr 1-12)	4.5	76.0

Note 1 Excludes Learning Resources

Note 2 Includes Net School Generated Funds, Amortization, Interest, and Losses on Disposal of Instruction Program Capital Assets

School Jurisdiction Code: 1175

SCHEDULE D to the AFS
CALCULATION OF MAXIMUM ELIGIBLE EXPENSE LIMIT FOR BOARD (GOVERNANCE) AND SYSTEM ADMINISTRATION - 2004-2005

TOTAL EXPENSES		**$41,772,109**

STEP 1

Calculation of maximum expense limit PERCENTAGE for Board and System Administration expenses

If "Total Net Enrolled Students" are 6,000 and over	= 4%	**4.75%**
If "Total Net Enrolled Students" are 2,000 and less	= 6%	

The Maximum Expense Limit for Board and System Administration is based on an arithmetical proration for the TOTAL FTE count for grades 1 -12, net of Home Education AND Adult students, between 2,000 to 6,000 at .0005 per FTE

EXAMPLE: 4,500 FTE count grades 1-12 = 6,000 - 4,500 = 1,500 X .0005 = .75% plus 4% = maximum expense limit of 4.75%

Note: Calculation unnecessary if Total FTE is 6,000 or more, and 2,000 & less.

STEP 2

Calculate maximum expense limit AMOUNTS for Board and System Administration expenses

Maximum Expense Limit percentage (Step 1) x TOTAL EXPENSES		$1,984,175

Considerations for Charter Schools and Small School Boards:

If **Charter School**, enter $56,100	$0	$0
If **School Board**, please enter your 04-05 Gr 1- 12 funded enrolment	0	
	$0	$0
MAXIMUM EXPENSE LIMIT		**$1,984,175**

STEP 3

Compare maximum expense limit amounts calculated in Step 2 to actual expenses (from Schedule A)

Actual Board Governance & System Administration expenses	$1,475,397
PLUS: transfers to Restricted - Operating (Board/System Administration)	$51,053
LESS: transfers from Restricted - Operating (Board/System Administration)	$0
TOTAL BOARD GOVERNANCE & SYSTEM ADMINISTRATION EXPENSES	$1,526,450
MAXIMUM EXPENSE LIMIT	$1,984,175
ACTUAL EXPENSES - OVER(UNDER) MAXIMUM EXPENSE LIMIT	-$457,725

School Jurisdiction Code: 1175

SCHEDULE E to the AFS
SOURCE & APPLICATION OF SCHOOL GENERATED FUNDS (SGF) - 2004-2005

	Gross SGF	Related Expenses	Net SGF	
Unexpended SGF - Opening Balance August 31, 2004 (Note 1)				$404,920
Source of Net School Generated Funds:				
Fundraising activities	$516,139	$347,656	$168,483	
Student fees (Non-Instructional) (Note 2)	$58,431		$58,431	
Donations and grants to schools	$20,036		$20,036	
Other (describe) Band, Clubs, Sports Teams	$440,327	$282,582	$157,745	
Net Additions to SGF	$1,034,933	$630,238		$404,695
Net SGF Available for Discretionary Spending				$809,615
Application of Net School Generated Funds:				
Extra-curricular activities			$68,320	
School beautification			$18,373	
Field Trips			$54,908	
Equipment			$9,238	
Family literacy and other community resources			$0	
Other (describe) Band, Clubs, Sports Teams, Student Council			$266,508	
Net SGF Expended for Discretionary Purposes (Note 3)				$417,347
Unexpended SGF - Closing Balance August 31, 2005 (Note 4)				$392,268

School Generated Funds (SGF) are funds raised in the community for student activities that come under the control and responsibility of school management. These funds are usually collected and retained at the school for expenditures paid at the school level. SGF does not include fees with respect to instructional supplies or materials collected pursuant to Section 60(2)(j) of the *School Act*, and any other funds collected at the school but remitted to central office and accounted for by the jurisdiction (facility rentals, capital assets purchases, etc.)

Note 1 Input "(Restated)" beside Balance at August 31, 2004 where not taken from the finalized 2003-2004 Audited Financial Statements

Note 2 Excludes fees collected pursuant to Section 60(2)(j) of the School Act (fees with respect to instructional supplies or materials - essentially textbooks, resource materials in lieu of textbooks, media, software, and materials for classrooms). Amounts collected for CEU-related activities are recorded as instruction resource fees, not SGF

Note 3 Net SGF Expended for Discretionary Purposes is recorded as revenue and expense in the Statement of Revenues & Expenses

Note 4 Unexpended SGF is carried forward to the Statement of Financial Position

School Jurisdiction Code: 1175

SCHEDULE F to the AFS
Operations and Maintenance Program Expenses - 2004-2005

EXPENSES	Custodial	Maintenance	Utilities and Telecommunications	Expensed Mod./I.M.P. & Portable Relocations	Facility Planning & Operations Administration	SUB-TOTAL Operations & Maintenance	Supported Capital & Debt Services	TOTAL Operations and Maintenance
Uncertificated salaries and wages	$0	$421,125	$0	$24,409	$90,250	$535,784		$535,784
Uncertificated benefits	$0	$92,819	$0	$8,576	$16,245	$117,640		$117,640
Sub-total Remuneration	$0	$513,944	$0	$32,985	$106,495	$653,424		$653,424
Contracted Services	$829,084	$193,473	$0	$0	$10,369	$1,032,926		$1,032,926
Supplies	$64,057	$384,467	$0	$305,355	$7,968	$761,847		$761,847
Electricity			$508,650			$508,650		$508,650
Natural Gas/Heating Fuel			$354,684			$354,684		$354,684
Sewer and Water			$47,526			$47,526		$47,526
Telecommunications			$14,546			$14,546		$14,546
Insurance					$103,322	$103,322		$103,322
Amortization of capital assets								
Supported							$889,695	$889,695
Unsupported						$40,671		$40,671
Total Amortization						$40,671	$889,695	$930,366
Interest on capital debt								
Supported							$1,179,109	$1,179,109
Unsupported				$0		$0		$0
Other interest charges						$0		$0
Losses on disposal of capital assets						$0		$0
Cost recoveries & transfers						$0		$0
TOTAL EXPENSES	$893,141	$1,091,884	$925,406	$338,340	$228,154	$3,517,596	$2,068,804	$5,586,400
SQUARE METRES								
School Buildings								58,964.2
Non School Buildings								4,244.8
UNCERTIFICATED FTE'S (Board/Contract)	21.0	9.0						

Notes:

Custodial:	All expenses related to activities undertaken to keep the school environment clean and safe
Maintenance:	All expenses associated with the repair, replacement and minor construction of buildings, grounds and equipment components. This includes regular and preventative maintenance undertaken to ensure components reach or exceed their life cycle and the repair of broken components
Utilities & Telecommunications:	All expenses related to electricity, natural gas and other heating fuels, sewer and water and all forms of telecommunications
Expensed Block Mod/I.M.P. & Portable Relocations:	All expenses associated with non-capital activites related to Block Modernization, Infrastructure Maintenance Programs (AKA Building Quality Restoration Program) and portable relocations
Facility Planning & Operations Administration:	All expenses related to the administration of operations and maintenance including (but not limited to) contract administration, clerical functions, negotiations, supervision of employees and contractors, administration of capital projects (including new schools, I.M.P., block modernization and portable relocations), administration of joint-use agreements, and all expenses related to ensuring compliance with health and safety statndards, codes and government regulations
Supported Capital & Debt Services:	All expenses related to supported capital assets amortization and interest on supported capital debt

School Jurisdiction Code: 1175

SCHEDULE G to the AFS
DISCLOSURE OF SALARIES AND BENEFITS - 2004-2005
(SECTION 148.1 OF THE SCHOOL ACT)

		FTEs	Remuneration	Benefits	Allowances	Performance Bonuses	ERIP's / Other	Total	Expenses
Chairperson:									
Name	Jespersen, Clayton	1.0	$27,268	$4,518	$0			$31,786	$5,846
Name		0.0	$0	$0	$0			$0	$0
Other Board Members:									
Name	Borg, Garry	1.0	$12,590	$4,033	$0			$16,623	$2,889
Name	Hodge, Laurie	1.0	$14,366	$301	$0			$14,667	$3,701
Name	Kubinec, Maureen	1.0	$9,631	$3,936	$0			$13,567	$1,970
Name	Nagel, Ken	1.0	$22,655	$79	$0			$22,734	$12,053
Name	Venables, Joyce	1.0	$17,918	$386	$0			$18,304	$5,585
Name	Volomey, Sharon	1.0	$20,212	$985	$0			$21,197	$3,982
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Subtotal		*7.0*	*$124,640*	*$14,238*	*$0*			*$138,878*	*$36,026*
Superintendent	Panas, David	1.0	$125,563	$8,752	$0	$0	$0	$134,315	$6,073
Superintendent		0.0	$0	$0	$0	$0	$0	$0	$0
Secretary/Treasurer	Meunier, Tracy	1.0	$97,375	$16,581	$0	$0	$0	$113,956	$3,892
Secretary/Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Board Secretary		0.0	$0	$0	$0	$0	$0	$0	$0
Board Secretary		0.0	$0	$0	$0	$0	$0	$0	$0
Board Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Board Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Certificated Salaries		231.3	$17,664,849	$2,462,137	$0	$0	$0	$20,126,986	
Uncertificated Salaries & Wages		277.7	$7,194,874	$1,469,469	$0	$0	$0	$8,664,343	
TOTALS			**$25,207,301**	**$3,971,177**	**$0**	**$0**	**$0**	**$29,178,478**	

Note: Please refer to completion information on page 15

School Jurisdiction Code 1115

AUDITED
FINANCIAL STATEMENTS
and Supporting Schedules
FOR THE YEAR ENDED AUGUST 31, 2005

[School Act, Sections 147(2)(a), 148, 151(1) and 276]

PRAIRIE LAND REGIONAL DIVISION # 25
Legal Name of School Jurisdiction

BAG SERVICE 1400, HANNA, ALBERTA T0J 1P0
Mailing Address

PH: (403) 854-4481 fx: (403) 854-2803
Telephone and Fax Numbers

SCHOOL JURISDICTION MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The financial statements and supporting schedules PRAIRIE LAND REGIONAL DIVISION # 25 (Name of School Jurisdiction) presented to Alberta Learning have been prepared by school jurisdiction management which has responsibility for their preparation, integrity and objectivity. The financial statements and schedules, including notes, have been prepared in accordance with generally accepted accounting principles and Ministerial requirements for Alberta school jurisdictions.

In fulfilling its reporting responsibilities, management has maintained internal control systems and procedures designed to provide reasonable assurance that the school jurisdiction's assets are safeguarded, that transactions are executed in accordance with appropriate authorization and that accounting records may be relied upon to properly reflect the school jurisdiction's transactions. The effectiveness of the control systems is supported by the selection and training of qualified personnel, an organizational structure that provides an appropriate division of responsibility and a strong budgetary system of control.

Board of Trustees Responsibility
The ultimate responsibility for the financial statements lies with the Board of Trustees. The Board reviewed the financial statements with management in detail and the Board approved the financial statements for release.

External Auditors
The Board appoints external auditors to audit the financial statements and meets with the auditors to review their findings. The external auditors have full and free access to school jurisdiction records.

Declaration of Management and Board Chairman
To the best of our knowledge and belief, these financial statements and supporting schedules reflect, in all material respects, the financial position and results of operations and cash flows for the year in accordance with generally accepted accounting principles and Ministerial requirements for Alberta school jurisdictions.

BOARD CHAIRMAN

JOHN NEILL — Name
"ORIGINAL SIGNED" — Signature

SUPERINTENDENT

WILLIAM LEE — Name
"ORIGINAL SIGNED" — Signature

SECRETARY TREASURER OR TREASURER

SHARON ORUM — Name
"ORIGINAL SIGNED" — Signature

29-Nov-05
Board-approved Release Date

c.c. **ALBERTA EDUCATION, School Reporting Branch,**
8th Floor Commerce Place, 10155-102 Street, Edmonton AB T5J 4L5
EMAIL: Cindy.Jarry@gov.ab.ca
PHONE: (780) 427-7782 FAX: (780) 422-6996

ELL & ANDERSON
CHARTERED ACCOUNTANTS
TIM L. ELL, B. Mgmt., C.A. *
KELLY D. ANDERSON, B. Comm., C.A. *

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Auditor's Report

To the Board of Trustees
Prairie Land Regional Division #25

We have audited the statement of financial position of the Prairie Land Regional Division #25 as at August 31, 2005 and the statements of revenues and expenses, cash flows, changes in net assets and capital allocations for the year then ended. These financial statements are the responsibility of the school jurisdiction's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance as to whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the school jurisdiction as at August 31, 2005 and the results of its operations, changes in cash flows, net assets and capital allocations for the year then ended in accordance with Canadian generally accepted accounting principles.

Our audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplementary information included in Schedules A through G is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such supplementary information has been subjected to the auditing procedures applied in the audit of the basic financial statements and in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

Ell Anderson

HANNA, ALBERTA
NOVEMBER 16, 2005

CHARTERED ACCOUNTANTS

CA Member of
The Institute of Chartered Accountants of Alberta

* denotes operating as a professional corporation

School Jurisdiction Code: 1115

STATEMENT OF FINANCIAL POSITION

as at August 31, 2005

(in dollars)

			2005	2004
ASSETS				
Current assets				
Cash and temporary investments			$5,790,535	$5,580,091
Accounts receivable (net after allowances)			$743,783	$913,240
Prepaid expenses			$48,081	$16,467
Other current assets			$0	$0
Total current assets			$6,582,399	$6,509,798
School generated assets			$297,516	$299,730
Trust assets			$681,724	$686,538
Long term accounts receivable			$0	$0
Long term investments			$0	$0
Capital assets				
Land			$574,670	$574,670
Buildings		$32,193,807		
Less accumulated amortization		($14,414,875)	$17,778,932	$18,566,702
Equipment		$1,623,310		
Less accumulated amortization		($632,531)	$990,779	$667,284
Vehicles		$4,518,535		
Less accumulated amortization		($3,062,874)	$1,455,661	$1,451,528
Total capital assets			$20,800,042	$21,260,184
TOTAL ASSETS			$28,361,681	$28,756,250
LIABILITIES				
Current liabilities				
Bank indebtedness			$0	$0
Accounts payable and accrued liabilities			$957,763	$822,415
Deferred revenue			$594,309	$323,687
Deferred capital allocations			$412,011	$345,239
Current portion of all long term debt			$518,474	$545,974
Total current liabilities			$2,482,557	$2,037,315
School generated liabilities			$297,516	$299,730
Trust liabilities			$681,724	$686,538
Employee future benefits liability			$0	$0
Long term payables and accrued liabilities			$0	$0
Long term debt				
Supported	Debentures and other supported debt		$3,036,656	$3,582,630
	Less Current portion of supported debt		($518,474)	($545,974)
Unsupported	Debentures and Capital Loans		$0	$0
	Capital Leases		$0	$0
	Mortgages		$0	$0
	Less Current portion of unsupported debt		$0	$0
Unamortized capital allocations			$14,572,768	$14,487,524
Total long term liabilities			$18,070,190	$18,510,448
TOTAL LIABILITIES			$20,552,747	$20,547,763
NET ASSETS				
Unrestricted net assets			$219,983	$268,635
Operating Reserves			$3,004,774	$3,469,150
Accumulated Operating Surplus (Deficit)			$3,224,757	$3,737,785
Investment in capital assets			$3,190,630	$3,190,041
Capital Reserves			$1,393,547	$1,280,661
Total Capital Funds			$4,584,177	$4,470,702
Total net assets			$7,808,934	$8,208,487
TOTAL LIABILITIES AND NET ASSETS			$28,361,681	$28,756,250

Note: Input "(Restated)" in 2004 column heading where comparatives are not taken from the finalized 2003-2004 Audited Financial Statements

School Jurisdiction Code: 1115

STATEMENT OF REVENUES AND EXPENSES

for the Year Ended August 31, 2005

(in dollars)

	Actual 2005	Budget 2005	Actual 2004
REVENUES			
Government of Alberta	$17,573,049	$17,161,257	$17,622,083
Federal Government and/or First Nations	$9,730	$3,500	$13,321
Other Alberta school authorities	$0	$0	$0
Out of province authorities	$0	$0	$0
Alberta Municipalities (excluding supplementary requisitions)	$528,456	$583,056	$481,951
Instruction resource fees	$163,569	$120,285	$143,597
Transportation fees	$0	$0	$0
Other sales and services	$32,974	$0	$198,231
Investment income	$173,313	$200,000	$189,582
Gifts and donations	$0	$0	$1,241
Rentals of facilities	$99,766	$105,000	$105,295
Net school generated funds	$297,516	$280,000	$289,951
Gains on disposal of capital assets	$27,207	$15,000	$52,210
Amortization of capital allocations	$790,142	$794,157	$793,121
Total Revenues	$19,695,722	$19,262,255	$19,890,583
EXPENSES			
Certificated salaries	$9,123,500	$8,880,505	$9,248,968
Certificated benefits	$880,616	$1,078,604	$993,478
Uncertificated salaries and wages	$4,089,231	$3,775,114	$3,800,639
Uncertificated benefits	$726,710	$647,162	$657,796
Services, contracts and supplies	$3,394,682	$3,595,346	$3,389,837
Net school generated funds	$297,516	$280,000	$289,951
Capital and debt services			
Amortization of capital assets			
Supported	$790,142	$793,121	$793,121
Unsupported	$493,031	$541,000	$526,706
Total Amortization of capital assets	$1,283,173	$1,334,121	$1,319,827
Interest on capital debt			
Supported	$297,731	$322,100	$351,968
Unsupported	$0	$0	$0
Total Interest on capital debt	$297,731	$322,100	$351,968
Other interest charges	$0	$0	$0
Losses on disposal of capital assets	$2,116	$0	$0
Total Expenses	$20,095,275	$19,912,952	$20,052,464
SURPLUS (DEFICIT) OF REVENUES OVER EXPENSES BEFORE EXTRAORDINARY ITEM	($399,553)	($650,697)	($161,881)
Extraordinary Item	$0	$0	$0
SURPLUS (DEFICIT) OF REVENUES OVER EXPENSES	($399,553)	($650,697)	($161,881)

Note: Input "(Restated)" in Budget 2005 and/or Actuals 2004 column headings where comparatives are not taken from the respective finalized 2004-2005 Budget Report and/or finalized 2003-2004 Audited Financial Statements.

School Jurisdiction Code: 1115

STATEMENT OF CASH FLOWS

for the Year Ended August 31, 2005

(in dollars)

	2005	2004 Restated
CASH FLOWS FROM:		
A. OPERATIONS		
Surplus (deficit) of revenues over expenses for the year	($399,553)	($161,881)
Add (Deduct) items not requiring cash:		
Amortization of capital allocations revenue	($790,142)	($793,121)
Total amortization expense	$1,283,173	$1,319,827
Gains on disposal of capital assets	($27,207)	($52,210)
Losses on sale of capital assets	$2,116	$0
Changes in accrued accounts:		
Accounts receivable	$169,457	($316,210)
Prepaids and other current assets	($31,614)	$67,260
Long term accounts receivable	$0	$0
Long term investments	$0	$0
Payables and accrued liabilities	$135,348	$32,459
Deferred revenue	$270,622	($399,453)
Employee future benefit expense (recovery)	$0	$0
Other (describe)	$0	$0
Total sources (uses) of cash from Operations	$612,200	($303,329)
B. INVESTING ACTIVITIES		
Purchases of capital assets		
Land	$0	$0
Buildings	($44,727)	($25,000)
Equipment	($433,096)	($65,539)
Vehicles	($368,902)	($335,240)
Net proceeds from disposal of capital assets	$48,785	$55,589
Other (describe) Unamortized Capital Allocation Adjustment	$0	($40,909)
Total sources (uses) of cash from Investing activities	($797,940)	($411,099)
C. FINANCING ACTIVITIES		
Capital allocations	$332,403	$0
Issue of long term debt	$0	$0
Repayment of long term debt	($545,974)	($656,454)
Add back: supported portion	$545,974	$656,454
Other (describe) Donations	$63,781	$0
Total sources (uses) of cash from Financing activities	$396,184	$0
Net sources (uses) of cash during year	$210,444	($714,428)
Cash and temporary investments, net of bank indebtedness, at Aug. 31/04	$5,580,091	$6,294,519
Cash and temporary investments, net of bank indebtedness, at Aug. 31/05	$5,790,535	$5,580,091

Note: 1 Input "(Restated)" in 2004 column heading where not taken from the finalized 2003-2004 Audited Financial Statements

2 Cash and temporary investments are net of cash obligations.

STATEMENT OF CHANGES IN NET ASSETS
for the Year Ended August 31, 2005

(in dollars)

School Jurisdiction 1115

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
	TOTAL NET ASSETS Cols 2+3+4	INVESTMENT IN CAPITAL ASSETS	UNRESTRICTED NET ASSETS	TOTAL INTERNALLY RESTRICTED NET ASSETS Cols 5 to 14	INTERNALLY RESTRICTED NET ASSETS									
					School Based		Infrastructure		Board & System Admin.		Transportation		External Services	
					Operating Reserves	Capital Reserves	O& M Operating Reserves	Capital Reserves	Operating Reserves	Capital Reserves	Operating Reserves	Capital Reserves	Operating Reserves	Capital Reserves
Balance at August 31, 2004	$8,208,487	$3,190,041	$268,635	$4,749,811	$1,939,509	$355,469	$1,141,149	$268,041	$230,000	$3,000	$0	$654,151	$158,492	$0
Prior period adjustments (describe)														
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Adjusted Balance,Aug.31, 2004	$8,208,487	$3,190,041	$268,635	$4,749,811	$1,939,509	$355,469	$1,141,149	$268,041	$230,000	$3,000	$0	$654,151	$158,492	$0
Surplus(def) of revenue over expense	($399,553)		($399,553)											
Board funded capital transactions		$517,313	$0	($517,313)	($47,989)	($36,683)	($44,170)	($39,266)	$0	($28,505)	$0	($320,700)	$0	$0
Direct credits to net assets	$0	$0												
Amortization of capital assets		($1,283,173)	$1,283,173											
Amortization of capital allocations		$790,142	($790,142)											
Disposal of unsupported capital assets	$0	($23,693)	($25,091)	$48,784		$3,067		$18,500		$25,505		$1,712		$0
Disposal of supported capital assets (board funded portion)	$0	$0	$0	$0		$0		$0		$0		$0		$0
Debt principal payments (unsupported)		$0	$0											
Net transfers to operating reserves			($291,135)	$291,135	$48,151		$0		$0		$242,984		$0	
Net transfers from operating reserves			$663,352	($663,352)	($224,865)		($365,071)		$0		$0		($73,416)	
Net transfers to capital reserves			($489,256)	$489,256		$101,933		$76,403		$20,771		$290,149		$0
Net transfers from capital reserves			$0	$0		$0		$0		$0		$0		$0
Balance at August 31, 2005	$7,808,934	$3,190,630	$219,983	$4,398,321	$1,714,806	$423,786	$731,908	$323,676	$230,000	$20,771	$242,984	$625,312	$85,076	$0

School Jurisdiction Code: 1115

STATEMENT OF CAPITAL ALLOCATIONS
(SUPPORTED CAPITAL FINANCING ONLY)
for the Year Ended August 31, 2005

(in dollars)

	Deferred Capital Allocations	Unamortized Capital Allocations
Balance at August 31, 20	$345,239	$14,487,524
Prior period adjustment	$0	$0
Adjusted balance, August 31, 2004	$345,239	$14,487,524
Add:		
Capital allocations from: Infrastructure and Transportation-New/Modernization Projects	$0	
Other Government of Alberta	$332,403	
Federal Government and/or First Nations	$0	
Other sources	$0	
Interest earned on provincial government capital allocations	$0	
Other capital grants and donations	$0	
Proceeds on disposal of supported capital assets	$0	
Insurance proceeds	$0	
Donated capital assets (amortizable, at Fair Market Value)		$63,781
Transferred in capital assets (amortizable, at Net Book Value)		$0
Current Year Debenture Principal Repayment		$545,974
Expended capital allocations - current year	($265,631)	$265,631
Less:		
Unamortized Capital Allocation affected by a disposal through transfer out		$0
Capital allocations amortized to revenue		$790,142
Balance at August 31, 2005	$412,011	$14,572,768

1. AUTHORITY AND PURPOSE

The School Jurisdiction delivers education programs under the authority of the *School Act*, Revised Statutes of Alberta 2000, Chapter S-3.

The jurisdiction receives instruction and support allocations under Regulation 77/2003. The regulation allows for the setting of conditions and use of grant monies. The School Jurisdiction is limited on certain funding allocations and administration expenses.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

These financial statements have been prepared in accordance with Canadian generally accepted accounting principles (GAAP). The precise determination of many assets and liabilities is dependent on future events. As a result, the preparation of financial statements for a period involves the use of estimates and approximations, which have been made using careful judgment. Actual results could differ from those estimates and approximations. The financial statements have, in management's opinion, been properly prepared within reasonable limits of materiality and within the framework of the accounting policies summarized below:

a) Revenue Recognition

Revenue is recognized as follows:

Instruction and support allocations are recognized in the year to which they relate.

Fees for services related to courses and programs are recognized as revenue when such courses and programs are delivered.

Unrestricted contributions are recognized as revenue when received and receivable. Contributions in-kind are recorded at fair market value when reasonably determinable.

Externally restricted contributions are deferred and recognized as revenue in the period in which the restriction is complied with. Endowment contributions are recognized as direct increases in net assets in the period in which they are received or receivable.

b) Capital Assets

Capital Assets are recorded at cost, and are amortized over their estimated useful lives on a straight-line basis, at the following rates:

Buildings	2.5% to 4%
Vehicles & Buses	10% to 20%
Equipment & Furnishings	2.5% to 20%

Capital assets with costs in excess of $5,000 are capitalized. Capital allocations received for asset additions are amortized into revenue over the same period as the amortization expense.

c) School Generated Funds

These are funds which come under the control and responsibility of a school principal for school activities. They are usually collected, retained, and expensed at the school level (e.g. yearbook sales, graduation fees, field trip fees, etc.)

d) Vacation Pay

Vacation Pay is accrued in the period in which the employee earns the benefit.

e) Pensions

Pension costs included in these statements comprise the cost of employer contributions for current service of employees during the year.

The current service and past service costs of the Alberta Teacher Retirement Fund are met by contributions by active members and the Government of Alberta. Under the terms of the Teachers Pension Plan Act, the Prairie Land Regional Division #25 does not make pension contributions for certificated staff.

The school board participates in the multi-employer pension plan, the Local Authorities Pension Plan, and does not report on any unfunded liabilities. The expense for this pension plan is equivalent to the annual contributions of $181,508 for the Year ended August 31, 2005. At December 31, 2004, the Local Authorities Pension Plan reported an actuarial deficiency of $1,288,924,000 (2003 deficiency of $1,453,487,000).

f) Prepaid Expenses

Certain expenditures incurred before the close of the school year are for school supplies which will be consumed subsequent to the year-end, and are accordingly recorded as prepaid expenses. Certain insurance expenses also fall into this category.

g) Contributed Services

Volunteers contribute a considerable number of hours per year to schools to ensure that certain programs are delivered, such as kindergarten, lunch services and the raising of school generated funds. Because of the difficulty of compiling these hours and the fact that these services are not otherwise purchased, contributed services are not recognized in the financial statements.

h) Financial Instruments

These consist of cash, accounts receivable, accounts payable, accrued liabilities, and long-term debt. It is management's opinion that the jurisdiction is not exposed to significant interest, currency or credit risks arising from these financial instruments. Unless otherwise noted, the fair values of these financial instruments approximate their carrying values. The jurisdiction has invested surplus funds in accordance with Section 60 of the *School Act* and Section 5 of the Trustees Act.

i) Operating and Capital Reserves

Reserves are established at the discretion of the Board of Trustees of the jurisdiction, to set aside funds for operating and capital purposes. Such reserves are appropriations of unrestricted net assets.

j) Employee Future Benefits

The jurisdiction accrues annually its employee future benefits obligations, at this time there is no financial impact on the jurisdiction.

k) Investments

Short term investments are valued at the lower of cost or market. Long term investments are valued at cost or, where there has been other than a temporary impairment in the value of the investments, at market value.

3. ACCOUNTS RECEIVABLE

	2005	2004
Alberta Learning	$3,415	$1,659
Federal Government	109,509	99,867
Other Alberta School Jurisdictions	2,611	29,066
Other Province of Alberta	2,800	2,800
Alberta Finance	506,148	693,679
Other	119,300	86,169
Total	$743,783	$913,240

4. BANK INDEBTEDNESS

The jurisdiction has negotiated a line of credit in the amount of $500,000 that bears interest at the bank prime rate. This line of credit is secured by a borrowing bylaw and a security agreement, covering all revenue of the jurisdiction. There was no balance outstanding on the line of credit at August 31, 2005.

5. DEFERRED REVENUE

	2005	2004
One Time Grant Funding – AISI	$133,074	$183,623
IMP	228,840	83,353
Classroom Initiative	119,697	15,000
Family Resource Worker	65,571	
Other	47,127	41,711
Total	$594,309	$323,687

6. TRUST ASSETS AND LIABILITIES

These balances represent cash that is held in trust by the jurisdiction for following areas:

	2005	2004
Scholarship Trusts		
Berry Creek	$265,794	$266,492
Cochrane	5,886	5,880
McLaren-Cook	3,830	3,817
Deugo	2,214	2,138
Fielding	58,986	59,160
Neutral Hills	64,314	64,608
Gourlay	3,658	3,655
Housch	1,125	1,123
Gramlich	2,029	2,038
Kush	8,335	8,344
Olsen	4,986	5,012
Shepherd	5,815	6,102
Todd	5,912	5,906
Ward	7,127	7,080
Prairie Land interest on $200,000 fund	20,478	20,346
Wimmer	3,219	3,690
JC Charyk	32,161	34,797
Special Areas #2 Bursary	136,770	134,089
Faupel	49,085	52,261
Total	$681,724	$686,538

7. LONG TERM DEBT

a) Debenture Debt – Supported

The debenture debt bears interest at rates varying between 6% and 12%. The debenture debt is fully supported by Alberta Finance. Debenture payments due over the next five years and beyond are as follows:

	Principal	Interest	Total
2005-2006	$518,474	$272,679	$791,153
2006-2007	518,474	226,112	744,586
2007-2008	518,474	185,069	703,543
2008-2009	359,204	138,502	497,706
2009-2010	315,810	105,870	421,680
2010 to maturity	806,220	178,934	985,154
Total	$3,036,656	$1,107,166	$4,143,822

b) Capital Leases – Unsupported

Currently, there is no capital leases held by the jurisdiction.

8. DEFERRED CAPITAL ALLOCATIONS

Deferred capital allocations represent externally-restricted supported capital funds provided for a specific capital purpose that have been received or are receivable by the jurisdictions, but the related expenditure had not yet been made at year-end. When expended, these deferred capital allocations are transferred to unamortized capital allocations.

9. UNAMORTIZED CAPITAL ALLOCATIONS

Unamortized capital allocations represent externally-restricted supported capital funds that have been expended, but have yet to be amortized over the useful life of the related capital asset. The unamortized capital allocations account balance is increased by transfers of deferred capital allocations expended, as well as fully-supported debenture principal repayments.

10. CONTINGENCIES

The jurisdiction is a member of a reciprocal insurance exchange called ALAIRE. A portion of the premiums paid each year represents equity contributions to the insurance fund. These payments have been recorded as expenses in the financial statements, as the value of equity is subject to liability claims.

11. ECONOMIC DEPENDANCE ON RELATED THIRD PARTY

The Prairie Land Regional Division #25's primary source of income is from the Alberta Government. The Division's ability to continue viable operations is dependant on this funding.

12. BUDGET AMOUNTS

The budget was prepared by the school jurisdiction and approved by the Board of Trustees. It is presented for information purposes only.

13. COMPARATIVE FIGURES

The comparative figures have been reclassified on the Statement of Cashflows to conform with the financial statement presentation adopted for the current year.

14. SUBSEQUENT EVENTS

In November 2005, Prairie Land Regional Division #25 approved the participation of certain eligible employees in the SiPP Non-registered supplementary pension program. The program supplements the ASBA Registered Supplemental Integrated Pension Plan. As at August 31, 2005 the participation agreement and documentation had not been finalized.

SCHEDULE A to the AFS

ALLOCATION OF REVENUES AND EXPENSES TO PROGRAMS - 2004-2005

School Jurisdiction Cod 1115

	REVENUES	TOTAL	ECS to Grade 12 Instruction	Operations and Maintenance of Schools & Maintenance Shops	Transportation	Board & System Admin.	External Services
(1)	**Alberta Education Revenues**	$16,274,260	$12,647,122	$637,150	$2,097,559	$800,155	$92,274
	Alberta Infrastructure and Transportation						
(2)	Infrastructure Maintenance Program & Portable Relocations support	$81,490	$0	$81,490			
(3)	Regular Operations & Maintenance support	$892,011		$892,011			
(4)	Other support	$0	$0	$0			
(5)	**Total Alberta Infrastructure and Transportation Revenues**	$973,501	$0	$973,501			
(6)	**Alberta Finance**	$297,731		$297,731			$0
(7)	**Other - Government of Alberta**	$27,557	$0	$3,557	$0	$0	$24,000
(8)	**Federal Government and/or First Nations**	$9,730	$2,126	$5,797	$1,087	$720	$0
(9)	**Other Alberta school authorities**	$0	$0	$0	$0	$0	$0
(10)	**Out of province authorities**	$0	$0	$0	$0	$0	$0
(11)	**Alberta municipalities** (excl. supplementary requisitions)	$528,456	$0	$0	$315,000	$0	$213,456
(12)	**Instruction resource fees**	$163,569	$163,569				
(13)	**Transportation fees**	$0			$0		
(14)	**Other sales and services**	$32,974	$2,518	$2,234	$27,866	$356	$0
(15)	**Investment income**	$173,313	$0	$0	$0	$173,313	$0
(16)	**Gifts and donations**	$0	$0	$0	$0		$0
(17)	**Rentals of facilities**	$99,766	$5,086	$94,680	$0	$0	$0
(18)	**Net school generated funds**	$297,516	$297,516			$0	
(19)	**Gains on disposal of capital assets**	$27,207	$3,067	$22,428	$1,712	$0	$0
(20)	**Amortization of capital allocations**	$790,142	$28,783	$761,359	$0		$0
(21)	**TOTAL REVENUES**	$19,695,722	$13,149,787	$2,798,437	$2,443,224	$974,544	$329,730
	EXPENSES						
(22)	**Certificated salaries**	$9,123,500	$8,929,261			$194,239	$0
(23)	**Certificated benefits**	$880,616	$860,044			$20,572	$0
(24)	**Uncertificated salaries and wages**	$4,089,231	$1,548,745	$788,630	$1,152,915	$355,467	$243,474
(25)	**Uncertificated benefits**	$726,710	$322,961	$159,091	$111,965	$81,242	$51,451
(26)	**SUB - TOTAL**	$14,820,057	$11,661,011	$947,721	$1,264,880	$651,520	$294,925
(27)	**Services, contracts & supplies**	$3,394,682	$1,256,740	$1,077,469	$645,211	$307,041	$108,221
(28)	**Cost recoveries & charges to programs**	$0	$0	$0	$0	$0	$0
(29)	**Net school generated funds**	$297,516	$297,516				
	Capital and debt services						
	Amortization of capital assets						
(30)	Supported	$790,142	$28,783	$761,359	$0	$0	$0
(31)	Unsupported	$493,031	$109,788	$77,111	$290,149	$15,983	$0
(32)	Total Amortization	$1,283,173	$138,571	$838,470	$290,149	$15,983	$0
	Interest on capital debt						
(33)	Supported	$297,731	$0	$297,731	$0	$0	$0
(34)	Unsupported	$0	$0	$0	$0	$0	$0
(35)	Other interest charges	$0	$0	$0	$0	$0	$0
(36)	Losses on disposal of capital assets	$2,116		$2,116	$0	$0	$0
(37)	**TOTAL EXPENSES**	$20,095,275	$13,353,838	$3,163,507	$2,200,240	$974,544	$403,146
(38)	**SURPLUS (DEFICIT) BEFORE EXTRAORDINARY ITEM**	($399,553)	($204,051)	($365,070)	$242,984	$0	($73,416)

School Jurisdiction Code: 1115

SCHEDULE B to the AFS
ALBERTA EDUCATION REVENUES 2004-2005

	TOTAL
Base Funding	
Early Childhood Services (ECS)	$277,984
Base Instruction (Gr 1-12)	$8,033,278
Outreach Programs	$52,020
Home Education	$1,241
Differential Cost Funding *	$7,320,994
Other Provincial Support	
Institutional Programs	$0
Regional Consortium (6 boards) and Regional Educational Consulting Services (4 boards)	$0
Learning Resources Credit	$16,310
Federal French Funding	$1,439
Provincial Priority Targeted Funding	
Class Size Initiative	$111,185
Student Health Initiative (SHI)	$92,274
Alberta Initiative for School Improvement (AISI)	$265,307
High Speed Networking	$0
Children and Youth with Complex Needs	$0
Other Alberta Education Revenues (describe) Videoconferencing, Prov Microsoft Licence Rebate, Testbook Resources	$102,228
Total Alberta Education Revenues	$16,274,260

* Differential Cost Funding is based on distribution formulas designed to address variable cost factors and incremental costs associated with other variables and specific student populations. Included in differential cost funding are allocations for students with severe disabilities, English as a second language students, Francisation and support services for immigrant students, aboriginal students, gifted & talented early childhood services children and those with mild or moderate or severe disabilities, the percentage of the student population experiencing low socio-economic status, small schools by necessity, intra-jurisdiction distances, year to year enrolment fluctuations, small school board administration, schools located in the north, boarding, transportation, stabilization of funding, and cost differences among school jurisdictions for purchasing goods and services.

School Jurisdiction Code: 1115

SCHEDULE C the AFS

ECS to Grade 12 INSTRUCTION PROGRAMS Expense Details - 2004-2005

SUB-PROGRAMS & INITIATIVES	ECS to GRADE 12 Instruction						
	Certificated Remuneration	Uncertificated Remuneration	Services, Contracts & Supplies [1]	Learning Resources	Cost Recoveries & Transfers	Other Expenses [2]	TOTAL EXPENSES
School Administration & All Instruction Support	$9,222,625	$615,338	$816,056		$0	$382,624	$11,036,643
Mild & Moderate Disabilities/Gifted & Talented (ECS-12)	$183,254	$389,433	$7,489		$0		$580,176
ECS Program Unit (PUF)	$0	$71,781	$35,358		$0		$107,139
Severe Disabilities (Gr 1-12)	$0	$407,033	$62,320		$0		$469,353
English as a Second Language	$78,368	$9,737	$461		$0		$88,566
French Language Program & Francisation (all jurisdictions)	$0	$0	$0		$0		$0
First Nations, Metis and Inuit Education (ECS - Gr 12)	$0	$0	$0		$0		$0
Home Education	$0	$0	$0		$0		$0
Institutional Programs	$0	$0	$0		$0		$0
Alberta Initiative for School Improvement	$210,773	$54,534	$0	$0	$0		$265,307
Student Health Initiative	$0	$61,764	$30,510		$0		$92,274
High Speed Networking			$0		$0		$0
Class Size	$94,285	$16,900	$0	$0	$0		$111,185
Children and Youth with Complex Needs (ECS - Gr 12)	$0	$0	$0		$0		$0
All Other Student Instruction Expenses (ECS - Gr 12)	$0	$245,186	$304,546	$0	$0	$53,463	$603,195
TOTAL EXPENSES	$9,789,305	$1,871,706	$1,256,740	$0	$0	$436,087	$13,353,838

FULL-TIME-EQUIVALENCIES (Board/Contract)	FTE Certificated	FTE Uncertificated
Mild & Moderate Disabilities/Gifted & Talented (ECS - Gr 12	2.4	17.2
ECS Program Unit (PUF)	0.0	3.2
Severe Disabilities (Gr 1-12)	0.0	18.0

Note 1 Excludes Learning Resources

Note 2 Includes Net School Generated Funds, Amortization, Interest, and Losses on Disposal of Instruction Program Capital Assets

School Jurisdiction Code: 1115

SCHEDULE D to the AFS
CALCULATION OF MAXIMUM ELIGIBLE EXPENSE LIMIT FOR BOARD (GOVERNANCE) AND SYSTEM ADMINISTRATION - 2004-2005

TOTAL EXPENSES	**$20,095,275**

STEP 1

Calculation of maximum expense limit PERCENTAGE for Board and System Administration expenses

If "Total Net Enrolled Students" are 6,000 and over	= 4%	**6.00%**
If "Total Net Enrolled Students" are 2,000 and less	= 6%	

The Maximum Expense Limit for Board and System Administration is based on an arithmetical proration for the TOTAL FTE count for grades 1 -12, net of Home Education AND Adult students, between 2,000 to 6,000 at .0005 per FTE.

EXAMPLE: 4,500 FTE count grades 1-12 = 6,000 - 4,500 = 1,500 X .0005 = .75% plus 4% = maximum expense limit of 4.75%

Note: Calculation unnecessary if Total FTE is 6,000 or more, and 2,000 & less

STEP 2

Calculate maximum expense limit AMOUNTS for Board and System Administration expenses

Maximum Expense Limit percentage (Step 1) x TOTAL EXPENSES		$1,205,717
Considerations for Charter Schools and Small School Boards:		
If **Charter School**, enter $56,100	$0	$0
If **School Board**, please enter your 04-05 Gr 1- 12 funded enrolment	0	
	$0	$0
MAXIMUM EXPENSE LIMIT		**$1,205,717**

STEP 3

Compare maximum expense limit amounts calculated in Step 2 to actual expenses (from Schedule A)

Actual Board Governance & System Administration expenses	$974,544
PLUS: transfers to Restricted - Operating (Board/System Administration)	$0
LESS: transfers from Restricted - Operating (Board/System Administration)	$0
TOTAL BOARD GOVERNANCE & SYSTEM ADMINISTRATION EXPENSES	$974,544
MAXIMUM EXPENSE LIMIT	$1,205,717
ACTUAL EXPENSES - OVER(UNDER) MAXIMUM EXPENSE LIMIT	-$231,173

School Jurisdiction Code: 1115

SCHEDULE E to the AFS
SOURCE & APPLICATION OF SCHOOL GENERATED FUNDS (SGF) - 2004-2005

	Gross SGF	Related Expenses	Net SGF	
Unexpended SGF - Opening Balance August 31, 2004 (Note 1)				$299,730
Source of Net School Generated Funds:				
Fundraising activities	$391,505	$143,764	$247,741	
Student fees (Non-Instructional) (Note 2)	$80,188		$80,188	
Donations and grants to schools	$50,475		$50,475	
Other (describe)	$0	$0	$0	
Net Additions to SGF	$522,168	$143,764		$378,404
Net SGF Available for Discretionary Spending				$678,134
Application of Net School Generated Funds:				
Extra-curricular activities			$148,441	
School beautification			$5,709	
Field Trips			$19,031	
Equipment			$1,142	
Family literacy and other community resources			$38,061	
Other (describe)			$168,234	
Net SGF Expended for Discretionary Purposes (Note 3)				$380,618
Unexpended SGF - Closing Balance August 31, 2005 (Note 4)				$297,516

School Generated Funds (SGF) are funds raised in the community for student activities that come under the control and responsibility of school management. These funds are usually collected and retained at the school for expenditures paid at the school level. SGF does not include fees with respect to instructional supplies or materials collected pursuant to Section 60(2)(j) of the *School Act*, and any other funds collected at the school but remitted to central office and accounted for by the jurisdiction (facility rentals, capital assets purchases, etc.)

Note 1 Input "(Restated)" beside Balance at August 31, 2004 where not taken from the finalized 2003-2004 Audited Financial Statements

Note 2 Excludes fees collected pursuant to Section 60(2)(j) of the School Act (fees with respect to instructional supplies or materials - essentially textbooks, resource materials in lieu of textbooks, media, software, and materials for classrooms). Amounts collected for CEU-related activities are recorded as instruction resource fees, not SGF

Note 3 Net SGF Expended for Discretionary Purposes is recorded as revenue and expense in the Statement of Revenues & Expenses

Note 4 Unexpended SGF is carried forward to the Statement of Financial Position

School Jurisdiction Code: 1115

SCHEDULE F to the AFS
Operations and Maintenance Program Expenses - 2004-2005

EXPENSES	Custodial	Maintenance	Utilities and Telecommunications	Expensed Mod./I.M.P. & Portable Relocations	Facility Planning & Operations Administration	SUB-TOTAL Operations & Maintenance	Supported Capital & Debt Services	TOTAL Operations and Maintenance
Uncertificated salaries and wages	$470,845	$265,480	$0	$5,340	$46,965	$788,630		$788,630
Uncertificated benefits	$96,412	$50,769	$0	$424	$11,486	$159,091		$159,091
Sub-total Remuneration	$567,257	$316,249	$0	$5,764	$58,451	$947,721		$947,721
Contracted Services	$0	$122,153	$1,368	$0	$32,513	$156,034		$156,034
Supplies	$68,476	$121,756	$0	$75,726	$12,950	$278,908		$278,908
Electricity			$285,215			$285,215		$285,215
Natural Gas/Heating Fuel			$215,730			$215,730		$215,730
Sewer and Water			$66,674			$66,674		$66,674
Telecommunications			$12,542			$12,542		$12,542
Insurance					$62,366	$62,366		$62,366
Amortization of capital assets								
Supported							$761,359	$761,359
Unsupported						$77,111		$77,111
Total Amortization						$77,111	$761,359	$838,470
Interest on capital debt								
Supported							$297,731	$297,731
Unsupported				$0		$0		$0
Other interest charges						$0		$0
Losses on disposal of capital assets						$2,116		$2,116
Cost recoveries & transfers						$0		$0
TOTAL EXPENSES	$635,733	$560,158	$581,529	$81,490	$166,280	$2,104,417	$1,059,090	$3,163,507
SQUARE METRES								
School Buildings								30,824.1
Non School Buildings								5,820.8
UNCERTIFICATED FTE'S (Board/Contract)	13.3	5.5						

Notes:

Custodial:	All expenses related to activities undertaken to keep the school environment clean and safe
Maintenance:	All expenses associated with the repair, replacement and minor construction of buildings, grounds and equipment components. This includes regular and preventative maintenance undertaken to ensure components reach or exceed their life cycle and the repair of broken components.
Utilities & Telecommunications:	All expenses related to electricity, natural gas and other heating fuels, sewer and water and all forms of telecommunications
Expensed Block Mod/I.M.P. & Portable Relocations:	All expenses associated with non-capital activites related to Block Modernization, Infrastructure Maintenance Programs (AKA Building Quality Restoration Program) and portable relocations
Facility Planning & Operations Administration:	All expenses related to the administration of operations and maintenance including (but not limited to) contract administration, clerical functions, negotiations, supervision of employees and contractors, administration of capital projects (including new schools, I.M.P., block modernization and portable relocations), administration of joint-use agreements, and all expenses related to ensuring compliance with health and safety statndards, codes and government regulations
Supported Capital & Debt Services:	All expenses related to supported capital assets amortization and interest on supported capital debt

School Jurisdiction Code: 1115

SCHEDULE G to the AFS
DISCLOSURE OF SALARIES AND BENEFITS - 2004-2005
(SECTION 148.1 OF THE SCHOOL ACT)

		FTEs	Remuneration	Benefits	Allowances	Performance Bonuses	ERIP's / Other	Total	Expenses
Chairperson:									
Name	John Neil	1.0	$12,202	$2,453	$0			$14,655	$8,549
Name		0.0	$0	$0	$0			$0	$0
Other Board Members:									
Name	Linda Danielsen	1.0	$7,146	$2,354	$0			$9,500	$4,471
Name	Andrea Heilman	1.0	$8,197	$2,392	$0			$10,589	$3,712
Name	John Hetherington	1.0	$7,313	$2,319	$0			$9,633	$4,746
Name	Elaine Homer	1.0	$8,585	$2,395	$0			$10,980	$4,946
Name	Gloria Nelson	1.0	$11,176	$2,435	$0			$13,610	$6,620
Name	Duane Roy	1.0	$7,821	$2,377	$0			$10,197	$4,786
Name	Sheila Taylor	1.0	$9,204	$341	$0			$9,545	$4,206
Name		0.0	$0	$0	$0			$0	$0
Name	Vern Thuroo	0.0	$1,802	$0	$0			$1,802	$2,197
Name	Richard Bailey	0.0	$662	$0	$0			$662	$0
Name	Angie Moe	0.0	$1,042	$0	$0			$1,042	$1,176
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Subtotal		*8.0*	*$75,150*	*$17,065*	*$0*			*$92,215*	*$45,409*
Superintendent	Bill Lee	1.0	$128,158	$14,888	$0	$0	$0	$143,046	$10,925
Superintendent		0.0	$0	$0	$0	$0	$0	$0	$0
Secretary/Treasurer	Sharon Orum	1.0	$102,526	$23,426	$0	$0	$0	$125,952	$4,147
Secretary/Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Board Secretary		0.0	$0	$0	$0	$0	$0	$0	$0
Board Secretary		0.0	$0	$0	$0	$0	$0	$0	$0
Board Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Board Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Certificated Salaries		126.3	$8,849,342	$865,728	$0	$0	$146,000	$9,861,070	
Uncertificated Salaries & Wages		159.6	$3,911,556	$686,218	$0	$0	$0	$4,597,774	
TOTALS			**$13,066,732**	**$1,607,325**	**$0**	**$0**	**$146,000**	**$14,820,057**	

Note: Please refer to completion information on page 15

School Jurisdiction Code: 1055

AUDITED
FINANCIAL STATEMENTS
and Supporting Schedules
FOR THE YEAR ENDED AUGUST 31, 2005
[School Act, Sections 147(2)(a), 148, 151(1) and 276]

PRAIRIE ROSE REGIONAL DIVISION NO.8
Legal Name of School Jurisdiction

P.O.BOX 204 DUNMORE,AB T0J 1A0
Mailing Address

PHONE:403-5276616 FAX:403-5282264
Telephone and Fax Numbers

SCHOOL JURISDICTION MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The financial statements and supporting schedules PRAIRIE ROSE REGIONAL DIVISION NO 8
(Name of School Jurisdiction)
presented to Alberta Learning have been prepared by school jurisdiction management which has responsibility for their preparation, integrity and objectivity. The financial statements and schedules, including notes, have been prepared in accordance with generally accepted accounting principles and Ministerial requirements for Alberta school jurisdictions.

In fulfilling its reporting responsibilities, management has maintained internal control systems and procedures designed to provide reasonable assurance that the school jurisdiction's assets are safeguarded, that transactions are executed in accordance with appropriate authorization and that accounting records may be relied upon to properly reflect the school jurisdiction's transactions. The effectiveness of the control systems is supported by the selection and training of qualified personnel, an organizational structure that provides an appropriate division of responsibility and a strong budgetary system of control.

Board of Trustees Responsibility
The ultimate responsibility for the financial statements lies with the Board of Trustees. The Board reviewed the financial statements with management in detail and the Board approved the financial statements for release.

External Auditors
The Board appoints external auditors to audit the financial statements and meets with the auditors to review their findings. The external auditors have full and free access to school jurisdiction records.

Declaration of Management and Board Chairman
To the best of our knowledge and belief, these financial statements and supporting schedules reflect, in all material respects, the financial position and results of operations and cash flows for the year in accordance with generally accepted accounting principles and Ministerial requirements for Alberta school jurisdictions.

BOARD CHAIRMAN

MARIAN PEERS	"ORIGINAL SIGNED"
Name	**Signature**

SUPERINTENDENT

LOWELL LEFFLER	"ORIGINAL SIGNED"
Name	**Signature**

SECRETARY TREASURER OR TREASURER

PATRICIA COCKS	"ORIGINAL SIGNED"
Name	**Signature**

29-Nov-05
Board-approved Release Date

c.c. ALBERTA EDUCATION, School Reporting Branch,
8th Floor Commerce Place, 10155-102 Street, Edmonton AB T5J 4L5
EMAIL: Cindy.Jarry@gov.ab.ca
PHONE: (780) 427-7782 FAX: (780) 422-6996

Auditor's Report

To the Board of Trustees
Prairie Rose School Division # 8

We have audited the statement of financial position of the Prairie Rose Regional Division # 8 as at August 31, 2005 and the statements of revenues and expenses, cash flows, changes in net assets and capital allocations for the year then ended. These financial statements are the responsibility of the school jurisdiction's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance as to whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the Prairie Rose Regional Division # 8 as at August 31, 2005 and the results of its operations, changes in cash flows, net assets and capital allocations for the year then ended in accordance with Canadian generally accepted accounting principles.

Our audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplementary information included in Schedules A through G is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such supplementary information has been subjected to the auditing procedures applied in the audit of the basic financial statements and in my opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

'Original Signed'
Meyers Norris Penny LLP

Chartered Accountants

Medicine Hat, Alberta
October 31, 2005

School Jurisdiction Code: 1055

STATEMENT OF FINANCIAL POSITION

as at August 31, 2005

(in dollars)

		2005	2004
ASSETS			
Current assets			
Cash and temporary investments		$2,716,187	$2,514,192
Accounts receivable (net after allowances)		$1,353,141	$1,473,006
Prepaid expenses		$307,637	$278,354
Other current assets		$3,350	$3,349
Total current assets		$4,380,315	$4,268,901
School generated assets		$580,884	$510,424
Trust assets		$202,436	$197,341
Long term accounts receivable		$0	$0
Long term investments		$0	$0
Capital assets			
Land		$779,890	$779,890
Buildings	$38,693,921		
Less: accumulated amortization	($19,357,648)	$19,336,273	$20,411,107
Equipment	$1,431,337		
Less: accumulated amortization	($449,983)	$981,354	$1,122,776
Vehicles	$311,466		
Less: accumulated amortization	($114,953)	$196,513	$153,462
Total capital assets		$21,294,030	$22,467,235
TOTAL ASSETS		$26,457,665	$27,443,901
LIABILITIES			
Current liabilities			
Bank indebtedness		$0	$0
Accounts payable and accrued liabilities		$1,093,310	$1,472,033
Deferred revenue		$690,321	$379,481
Deferred capital allocations		$27,396	$16,166
Current portion of all long term debt		$338,175	$357,139
Total current liabilities		$2,149,202	$2,224,819
School generated liabilities		$580,884	$510,424
Trust liabilities		$202,436	$197,341
Employee future benefits liability		$0	$0
Long term payables and accrued liabilities		$0	$0
Long term debt			
Supported: Debentures and other supported debt		$2,356,319	$2,670,082
Less: Current portion of supported debt		($299,846)	($313,762)
Unsupported: Debentures and Capital Loans		$113,342	$156,601
Capital Leases		$0	$0
Mortgages		$0	$0
Less: Current portion of unsupported debt		($38,329)	($43,377)
Unamortized capital allocations		$12,960,364	$13,597,387
Total long term liabilities		$15,875,170	$16,774,696
TOTAL LIABILITIES		$18,024,372	$18,999,515
NET ASSETS			
Unrestricted net assets		$789,617	$985,721
Operating Reserves		$1,663,459	$1,314,108
Accumulated Operating Surplus (Deficit)		$2,453,076	$2,299,829
Investment in capital assets		$5,864,018	$6,043,060
Capital Reserves		$116,200	$101,497
Total Capital Funds		$5,980,218	$6,144,557
Total net assets		$8,433,293	$8,444,386
TOTAL LIABILITIES AND NET ASSETS		$26,457,665	$27,443,901

Note: Input "(Restated)" in 2004 column heading where comparatives are not taken from the finalized 2003-2004 Audited Financial Statements.

School Jurisdiction Code: 1055

STATEMENT OF REVENUES AND EXPENSES

for the Year Ended August 31, 2005

(in dollars)

	Actual 2005	Budget 2005	Actual 2004
REVENUES			
Government of Alberta	$34,889,788	$33,863,699	$33,740,890
Federal Government and/or First Nations	$189,038	$190,939	$221,455
Other Alberta school authorities	$0	$18,040	$10,093
Out of province authorities	$31,552	$30,000	$32,809
Alberta Municipalities (excluding supplementary requisitions)	$155,733	$150,054	$173,282
Instruction resource fees	$205,005	$203,540	$199,918
Transportation fees	$17,177	$15,130	$19,620
Other sales and services	$59,015	$106,000	$32,476
Investment income	$87,272	$89,644	$79,608
Gifts and donations	$146,550	$154,488	$196,973
Rentals of facilities	$123,091	$140,000	$135,006
Net school generated funds	$571,573	$254,328	$325,016
Gains on disposal of capital assets	$14,703	$5,000	$24,620
Amortization of capital allocations	$950,786	$847,176	$842,289
Total Revenues	$37,441,283	$36,068,038	$36,034,055
EXPENSES			
Certificated salaries	$17,296,798	$16,637,391	$16,438,210
Certificated benefits	$1,982,497	$1,913,297	$1,885,710
Uncertificated salaries and wages	$5,323,396	$5,207,442	$4,991,173
Uncertificated benefits	$909,990	$842,768	$839,741
Services, contracts and supplies	$9,785,578	$9,613,764	$9,537,390
Net school generated funds	$571,573	$254,328	$325,016
Capital and debt services			
Amortization of capital assets			
Supported	$1,010,786	$801,578	$812,120
Unsupported	$329,465	$417,383	$400,071
Total Amortization of capital assets	$1,340,251	$1,218,961	$1,212,191
Interest on capital debt			
Supported	$229,275	$270,000	$266,136
Unsupported	$10,409	$10,250	$12,281
Total Interest on capital debt	$239,684	$280,250	$278,417
Other interest charges	$2,608	$4,500	$2,276
Losses on disposal of capital assets	$0	$0	$0
Total Expenses	$37,452,376	$35,972,701	$35,510,124
SURPLUS (DEFICIT) OF REVENUES OVER EXPENSES BEFORE EXTRAORDINARY ITEM	($11,093)	$95,337	$523,931
Extraordinary Item	$0	$0	$0
SURPLUS (DEFICIT) OF REVENUES OVER EXPENSES	($11,093)	$95,337	$523,931

Note: Input "(Restated)" in Budget 2005 and/or Actuals 2004 column headings where comparatives are not taken from the respective finalized 2004-2005 Budget Report and/or finalized 2003-2004 Audited Financial Statements.

School Jurisdiction Code: 1055

STATEMENT OF CASH FLOWS

for the Year Ended August 31, 2005

(in dollars)

	2005	2004
CASH FLOWS FROM:		
A. OPERATIONS		
Surplus (deficit) of revenues over expenses for the year	($11,093)	$523,931
Add (Deduct) items not requiring cash:		
Amortization of capital allocations revenue	($950,786)	($842,289)
Total amortization expense	$1,340,251	$1,212,191
Gains on disposal of capital assets	($14,703)	($24,620)
Losses on sale of capital assets	$0	$0
Changes in accrued accounts:		
Accounts receivable	$119,865	($733,803)
Prepaids and other current assets	($29,284)	$77,656
Long term accounts receivable	$0	$0
Long term investments	$0	$0
Payables and accrued liabilities	($378,723)	($238,264)
Deferred revenue	$310,840	($424,910)
Employee future benefit expense (recovery)	$0	$0
Other (describe)	$0	$0
Total sources (uses) of cash from Operations	$386,368	($450,108)
B. INVESTING ACTIVITIES		
Purchases of capital assets		
Land	$0	$0
Buildings	$0	($165,601)
Equipment	($83,133)	($799,299)
Vehicles	($83,913)	($74,049)
Net proceeds from disposal of capital assets	$14,703	$24,620
Other (describe)	$0	$0
Total sources (uses) of cash from investing activities	($152,343)	($1,014,329)
C. FINANCING ACTIVITIES		
Capital allocations	$11,230	$550,000
Issue of long term debt	$0	$0
Repayment of long term debt	($357,022)	($411,124)
Add back: supported portion	$313,762	$369,206
Other (describe)	$0	$0
Total sources (uses) of cash from Financing activities	($32,030)	$508,082
Net sources (uses) of cash during year	$201,995	($956,355)
Cash and temporary investments, net of bank indebtedness, at Aug. 31/04	$2,514,192	$3,470,547
Cash and temporary investments, net of bank indebtedness, at Aug. 31/05	$2,716,187	$2,514,192

Note: 1 Input "(Restated)" in 2004 column heading where not taken from the finalized 2003-2004 Audited Financial Statements.

2 Cash and temporary investments are net of cash obligations.

STATEMENT OF CHANGES IN NET ASSETS
for the Year Ended August 31, 2005

(in dollars)

School Jurisdiction 1055

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
	TOTAL NET ASSETS Cols. 2+3+4	INVESTMENT IN CAPITAL ASSETS	UNRESTRICTED NET ASSETS	TOTAL INTERNALLY RESTRICTED NET ASSETS Cols. 5 to 14	INTERNALLY RESTRICTED NET ASSETS									
					School Based		Infrastructure		Board & System Admin.		Transportation		External Services	
					Operating Reserves	Capital Reserves	O& M Operating Reserves	Capital Reserves	Operating Reserves	Capital Reserves	Operating Reserves	Capital Reserves	Operating Reserves	Capital Reserves
Balance at August 31, 2004	$8,444,386	$6,043,060	$985,721	$1,415,605	$816,031	$0	$210,630	$101,497	$223,206	$0	$2,350	$0	$61,891	$0
Prior period adjustments (describe)														
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Adjusted Balance,Aug.31, 2004	$8,444,386	$6,043,060	$985,721	$1,415,605	$816,031	$0	$210,630	$101,497	$223,206	$0	$2,350	$0	$61,891	$0
Surplus(def) of revenue over expense	($11,093)		($11,093)											
Board funded capital transactions		$167,046	($167,046)	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Direct credits to net assets	$0	$0												
Amortization of capital assets		($1,340,251)	$1,340,251											
Amortization of capital allocations		$950,786	($950,786)											
Disposal of unsupported capital asset	$0	$0	($14,703)	$14,703		$0		$14,703		$0		$0		$0
Disposal of supported capital assets (board funded portion)	$0	$0	$0	$0		$0		$0		$0		$0		$0
Debt principal payments (unsupported)		$43,377	($43,377)											
Net transfers to operating reserves			($1,562,081)	$1,562,081	$951,763		$300,965		$216,289		$26,106		$66,958	
Net transfers from operating reserves			$1,212,730	($1,212,730)	($714,653)		($210,630)		($223,206)		($2,350)		($61,891)	
Net transfers to capital reserves			$0	$0		$0		$0		$0		$0		$0
Net transfers from capital reserves			$0	$0		$0		$0		$0		$0		$0
Balance at August 31, 2005	$8,433,293	$5,864,018	$789,617	$1,779,659	$1,053,141	$0	$300,965	$116,200	$216,289	$0	$26,106	$0	$66,958	$0

School Jurisdiction Code: 1055

STATEMENT OF CAPITAL ALLOCATIONS
(SUPPORTED CAPITAL FINANCING ONLY)
for the Year Ended August 31, 2005

(in dollars)

	Deferred Capital Allocations	Unamortized Capital Allocations
Balance at August 31, 20	$16,166	$13,597,387
Prior period adjustment	$0	$0
Adjusted balance, August 31, 2004	$16,166	$13,597,387
Add:		
Capital allocations from: Infrastructure and Transportation-New/Modernization Projects	$0	
Other Government of Alberta	$0	
Federal Government and/or First Nations	$0	
Other sources	$11,230	
Interest earned on provincial government capital allocations	$0	
Other capital grants and donations	$0	
Proceeds on disposal of supported capital assets	$0	
Insurance proceeds	$0	
Donated capital assets (amortizable, at Fair Market Value)		$0
Transferred in capital assets (amortizable, at Net Book Value)		$0
Current Year Debenture Principal Repayment		$313,762
Expended capital allocations - current year	$0	$0
Less:		
Unamortized Capital Allocation affected by a disposal through transfer out		$0
Capital allocations amortized to revenue		$950,786
Balance at August 31, 2005	$27,396	$12,960,364

PRAIRIE ROSE REGIONAL DIVISION NO. 8

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2005

---

1. AUTHORITY AND PURPOSE

The School Jurisdiction delivers education programs under the authority of the *School Act*, Revised Statutes of Alberta 2000, Chapter S-3.

The jurisdiction receives instruction and support allocations under Regulation 77/2003. The regulation allows for the setting of conditions and use of grant monies. The School Jurisdiction is limited on certain funding allocations and administration expenses.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

These financial statements have been prepared in accordance with Canadian generally accepted accounting principles (GAAP). The precise determination of many assets and liabilities is dependent on future events. As a result, the preparation of financial statements for a period involves the use of estimates and approximations, which have been made using careful judgment. Actual results could differ from those estimates and approximations. The financial statements have, in management's opinion, been properly prepared within reasonable limits of materiality and within the framework of the accounting policies summarized below:

a. REVENUE RECOGNITION

Revenue is recognized as follows:

Instruction and support allocations are recognized in the year to which they relate.

Fees for services related to courses and programs are recognized as revenue when such courses and programs are delivered.

Capital allocations from the province or other agencies are recorded as deferred capital contributions until spent. Once spent, they are transferred to unamortized capital allocations which are amortized to revenue on the same basis as the capital assets acquired by the grant.

Unrestricted contributions are recognized as revenue when received or receivable. Contributions in-kind are recorded at fair market value when reasonably determinable.

Externally restricted contributions are deferred and recognized as revenue in the period in which the restriction is complied with. Endowment funds, which are to be retained as net assets, are recorded as direct increases in trust assets and liabilities.

b. CAPITAL ASSETS

Capital assets are recorded at cost and amortized over their estimated useful lives on a straight-line basis. No amortization is taken in the year of acquisition and a full year of amortization is taken in the year of disposal. The rates are as follows:

Buildings	2.5% to 4%
Equipment	20%
Vehicles	10% to 20%

Only capital assets with costs in excess of $5,000 are capitalized. Capital allocations received for asset additions are amortized into revenue over the same period as the amortization expense.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

c. SCHOOL GENERATED FUNDS

These are funds which come under the control and responsibility of a school principal for school activities. They are usually collected, retained, and expended at the school level (e.g. yearbook sales, graduation fees, field trip fees, etc.)

d. VACATION PAY

Vacation pay is accrued in the period in which the employee earns the benefit.

e. PENSIONS

Pension costs included in these statements comprise the cost of employer contributions for current services of employees during the year

The current service and past service costs of the Alberta Teacher Retirement Fund are met by contributions by active members and the Government of Alberta. Under the terms of the Teachers Pension Plan Act, the Prairie Rose Regional Division No. 8 does not make pension contributions for certificated staff.

The school board participates in the multi-employer pension plan, Local Authorities Pension Plan, and does not report on any unfunded liabilities. The Expense for this pension plan is equivalent to annual contributions of $169,241 for the year ended August 31, 2005. At December 31, 2004, the Local Authorities Pension Plan reported an actuarial deficiency of $1,288,924,000 (2003 deficiency of $1,453,487,000).

f. PREPAID EXPENSES

Certain expenditures incurred before the close of the school year are for school supplies which will be consumed subsequent to the year-end, and are accordingly recorded as prepaid expenses. Certain insurance expenses also fall into this category.

g. CONTRIBUTED SERVICES

Volunteers contribute a considerable number of hours per year to schools to ensure that certain programs are delivered, such as kindergarten, lunch services and the raising of school generated funds. Because of the difficulty of compiling these hours and the fact that these services are not otherwise purchased, contributed services are not recognized in the financial statements.

h. FINANCIAL INSTRUMENTS

These consist of cash, accounts receivable, temporary and long-term investments, accounts payable, accrued liabilities, and long-term debt. It is management's opinion that the jurisdiction is not exposed to significant interest, currency or credit risks arising from these financial instruments. Unless otherwise noted, the fair values of these financial instruments approximate their carrying values. The jurisdiction has invested surplus funds in accordance with Section 60 of the *School Act* and Section 5 of the Trustees Act.

i. OPERATING AND CAPITAL RESERVES

Reserves are established at the discretion of the Board of Trustees of the jurisdiction or externally, to set aside funds for operating and capital purposes. Such reserves are appropriations of unrestricted net assets.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

j. EMPLOYEE FUTURE BENEFITS

The jurisdiction accounted for the future cost of employee benefits commencing in the 2000/2001 school year using the retroactive approach. There is no financial impact on the jurisdiction at this time.

k. MEASUREMENT UNCERTAINTY

The preparation of financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimate and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Amortization is based on the estimated useful lives of capital assets. Amortization of capital allocations is based on the related estimated useful lives of capital assets.

These estimates and assumptions are reviewed periodically and, as adjustments become necessary, they are reported in earnings in the periods in which they become known.

3. ACCOUNTS RECEIVABLE

	2005	2004
Alberta Education	$ 90,676	$ -
Alberta Infrastructure and Transportation	626,626	830,248
Alberta Finance	161,925	170,466
Other Province of Alberta	36,201	-
Federal Government	200,391	220,722
Alberta Municipalities	62,785	37,500
Other Alberta school jurisdictions	12,899	26,922
Other	161,638	187,148
Total	$ 1,353,141	$ 1,473,006

4. BANK INDEBTEDNESS

The jurisdiction has negotiated a line of credit in the amount of $588,000 that bears interest at the bank prime rate less ¼%. This line of credit is secured by a borrowing bylaw and a security agreement, covering all revenue of the jurisdiction. There was no balance outstanding on the line of credit at August 31, 2005 (nil – 2004).

5. ACCOUNTS PAYABLE AND LIABILITIES

	2005	2004
Alberta Education	$ 25,093	$ 112,440
Alberta Finance	195,356	218,482
Other Province of Alberta	-	26,154
Federal Government	-	5,003
Alberta Municipalities	11,989	23,797
Other Trade Payables and Accrued Liabilities	860,872	1,086,156
Total	$ 1,093,310	$ 1,472,033

6. DEFERRED REVENUE

	2005	2004
Infrastructure Maintenance Program (formerly BQRP)	$ 517,945	$ 284,784
Alberta Initiative for School Improvement	35,528	63,654
Other	136,848	31,043
Total	$ 690,321	$ 379,481

7. TRUST ASSETS AND LIABILITIES

These balances represent cash that is held in trust by the jurisdiction.

	2005	2004
Scholarship Trusts	$ 202,436	$ 197,341

8. LONG-TERM DEBT

a. DEBENTURE DEBT – SUPPORTED

The debenture debt bears interest at rates varying between 7.380% and 12.050%. The debenture debt is fully supported by Alberta Finance. Debenture payments due over the next five years and beyond are as follows:

	Principal	Interest	Total
2005-2006	$ 299,846	$ 222,764	$ 522,610
2006-2007	274,265	193,390	467,655
2007-2008	182,490	166,656	349,146
2008-2009	182,490	149,271	331,761
2009-2010	182,490	131,885	314,375
2010 to maturity	1,234,738	496,251	1,730,989
Total	$ 2,356,319	$ 1,360,217	$ 3,716,536

b. DEBENTURE DEBT - UNSUPPORTED

The debenture debt bears interest at rates varying between 7.625% and 8.750%. Debenture payments due over the next five years and beyond are as follows:

	Principal	Interest	Total
2005-2006	$ 25,000	$ 8,188	$ 33,188
2006-2007	25,000	6,141	31,141
2007-2008	25,000	4,094	29,094
2008-2009	25,000	2,047	27,047
2009-2010	-	-	-
Total	$ 100,000	$ 20,470	$ 120,470

c. CAPITAL LEASES – UNSUPPORTED

The Division has a capital lease outstanding of $13,342 ($31,601in 2004), of which all is due within the next year.

9. DEFERRED CAPITAL ALLOCATIONS

Deferred capital allocations represent externally restricted supported capital funds provided for a specific capital purpose received or are receivable by the jurisdiction, but the related expenditure has not been made at year-end. When expended, these deferred capital allocations are transferred to unamortized capital allocations.

	2005	2004
Balance, Beginning of Year	$ 16,166	$ 16,166
Allocations Received & Receivable During the Year	11,230	550,000
Transfers to Unamortized Capital Allocations	-	(550,000)
Balance, End of Year	$ 27,396	$ 16,166

10. UNAMORTIZED CAPITAL ALLOCATIONS

Unamortized capital allocations represent externally restricted supported capital funds that have been expended, but have yet to be amortized over the useful life of the related capital asset. The unamortized capital allocations account balance is increased by transfers of deferred capital allocations expended, as well as fully-supported debentured principal repayments.

11. ONE TIME GRANT REVENUE

In 1999, Alberta Learning announced a One-Time Grant as a major investment in education. The jurisdiction's share of this One-Time funding was $1,084,580. There are $0 ($101,378 - 2004) in funds remaining at year-end and are reported as restricted net assets.

12. BUDGET AMOUNTS

The budget was prepared by the school jurisdiction and approved by the Board of Trustees. It is presented for information purposes only.

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13. COMPARATIVE FIGURES

The comparative figures have been reclassified where necessary to conform to the 2005 presentation.

14. ECONOMIC DEPENDENCE

The Prairie Rose Regional Division's primary source of income is from the Alberta Government. The Division's ability to continue viable operations is dependent on this funding.

15. CONTINGENCIES

The jurisdiction is a member of a reciprocal insurance exchange called ASBIE. A portion of the premiums paid each year represents equity contributions to the insurance fund. These payments have been recorded as expenses in the financial statements, as the value of equity is subject to liability claims.

School Jurisdiction Cod 1055

SCHEDULE A to the AFS
ALLOCATION OF REVENUES AND EXPENSES TO PROGRAMS - 2004-2005

	REVENUES	TOTAL	ECS to Grade 12 Instruction	Operations and Maintenance of Schools & Maintenance Shops	Transportation	Board & System Admin.	External Services
(1)	**Alberta Education Revenues**	$31,350,500	$25,319,462		$4,383,513	$1,578,187	$69,338
	Alberta Infrastructure and Transportation						
(2)	Infrastructure Maintenance Program & Portable Relocations support	$238,790	$0	$238,790			
(3)	Regular Operations & Maintenance support	$2,782,632		$2,782,632			
(4)	Other support	$0	$0	$0			
(5)	**Total Alberta Infrastructure and Transportation Revenues**	$3,021,422	$0	$3,021,422			
(6)	**Alberta Finance**	$230,298		$230,298			$0
(7)	**Other - Government of Alberta**	$287,568	$210,000	$64,800	$0	$0	$12,768
(8)	**Federal Government and/or First Nations**	$189,038	$185,734	$3,304	$0	$0	$0
(9)	**Other Alberta school authorities**	$0	$0		$0	$0	$0
(10)	**Out of province authorities**	$31,552	$31,552	$0	$0	$0	$0
(11)	**Alberta municipalities** (excl. supplementary requisitions)	$155,733	$0	$0	$0	$0	$155,733
(12)	**Instruction resource fees**	$205,005	$205,005				
(13)	**Transportation fees**	$17,177			$17,177		
(14)	**Other sales and services**	$59,015	$50,053	$5,924	$0	$3,037	$0
(15)	**Investment income**	$87,272	$73,999	$13,273	$0	$0	$0
(16)	**Gifts and donations**	$146,550	$68,050	$0	$0		$78,500
(17)	**Rentals of facilities**	$123,091	$0	$0	$0	$0	$123,091
(18)	**Net school generated funds**	$571,573	$571,573			$0	
(19)	**Gains on disposal of capital assets**	$14,703	$0	$14,703	$0	$0	$0
(20)	**Amortization of capital allocations**	$950,786	$130,000	$820,786	$0		$0
(21)	**TOTAL REVENUES**	$37,441,283	$26,845,429	$4,174,511	$4,400,690	$1,561,224	$439,430
	EXPENSES						
(22)	**Certificated salaries**	$17,296,798	$17,000,386			$296,411	$0
(23)	**Certificated benefits**	$1,982,497	$1,948,409			$34,087	$0
(24)	**Uncertificated salaries and wages**	$5,323,396	$3,183,139	$1,242,878	$79,583	$618,155	$199,642
(25)	**Uncertificated benefits**	$909,990	$508,403	$258,944	$19,024	$91,685	$31,935
(26)	**SUB - TOTAL**	$25,512,681	$22,640,337	$1,501,822	$98,607	$1,040,339	$231,577
(27)	**Services, contracts & supplies**	$9,785,578	$3,260,563	$1,511,846	$4,276,080	$528,375	$208,715
(28)	**Cost recoveries & charges to programs**	$0		$0	$0	$0	$0
(29)	**Net school generated funds**	$571,573	$571,573				
	Capital and debt services						
	Amortization of capital assets						
(30)	Supported	$1,010,786	$130,000	$880,786	$0	$0	$0
(31)	Unsupported	$329,465	$92,806	$202,142	$6,947	$8,572	$18,998
(32)	Total Amortization	$1,340,251	$222,806	$1,082,928	$6,947	$8,572	$18,998
	Interest on capital debt						
(33)	Supported	$229,275	$0	$229,275	$0	$0	$0
(34)	Unsupported	$10,409	$0	$0	$0	$10,409	$0
(35)	Other interest charges	$2,608	$0	$0	$0	$2,608	$0
(36)	Losses on disposal of capital assets	$0	$0	$0	$0	$0	$0
(37)	**TOTAL EXPENSES**	$37,452,376	$26,695,279	$4,325,870	$4,381,634	$1,590,303	$459,290
(38)	**SURPLUS (DEFICIT) BEFORE EXTRAORDINARY ITEM**	($11,093)	$150,150	($151,360)	$19,057	($9,079)	($19,860)

School Jurisdiction Code: 1055

SCHEDULE B to the AFS

ALBERTA EDUCATION REVENUES 2004-2005

	TOTAL
Base Funding	
Early Childhood Services (ECS)	$501,364
Base Instruction (Gr 1-12)	$16,731,469
Outreach Programs	$52,020
Home Education	$6,502
Differential Cost Funding *	$12,946,918
Other Provincial Support	
Institutional Programs	$0
Regional Consortium (6 boards) and Regional Educational Consulting Services (4 boards)	$0
Learning Resources Credit	$19,169
Federal French Funding	$3,148
Provincial Priority Targeted Funding	
Class Size Initiative	$411,076
Student Health Initiative (SHI)	$149,020
Alberta Initiative for School Improvement (AISI)	$493,613
High Speed Networking	$36,201
Children and Youth with Complex Needs	$0
Other Alberta Education Revenues (describe)	$0
Total Alberta Education Revenues	$31,350,500

- Differential Cost Funding is based on distribution formulas designed to address variable cost factors and incremental costs associated with other variables and specific student populations. Included in differential cost funding are allocations for students with severe disabilities, English as a second language students, Francisation and support services for immigrant students, aboriginal students, gifted & talented early childhood services children and those with mild or moderate or severe disabilities, the percentage of the student population experiencing low socio-economic status, small schools by necessity, intra-jurisdiction distances, year to year enrolment fluctuations, small school board administration, schools located in the north, boarding, transportation, stabilization of funding, and cost differences among school jurisdictions for purchasing goods and services.

School Jurisdiction Code: 1055

SCHEDULE C the AFS

ECS to Grade 12 INSTRUCTION PROGRAMS Expense Details - 2004-2005

SUB-PROGRAMS & INITIATIVES	ECS to GRADE 12 Instruction						
	Certificated Remuneration	Uncertificated Remuneration	Services, Contracts & Supplies [1]	Learning Resources	Cost Recoveries & Transfers	Other Expenses [2]	TOTAL EXPENSES
School Administration & All Instruction Support	$1,538,475	$814,684	$174,214		$0	$0	$2,527,373
Mild & Moderate Disabilities/Gifted & Talented (ECS-12)	$634,448	$0	$12,342		$0		$646,790
ECS Program Unit (PUF)	$64,924	$144,933	$201,454		$0		$411,311
Severe Disabilities (Gr 1-12)	$92,417	$1,331,954	$265,750		$0		$1,690,122
English as a Second Language	$0	$329,764	$124,680		$0		$454,444
French Language Program & Francisation (all jurisdictions)	$0	$0	$3,500		$0		$3,500
First Nations, Metis and Inuit Education (ECS - Gr 12)	$0	$0	$13,000		$0		$13,000
Home Education	$0	$0	$17,473		$0		$17,473
Institutional Programs	$0	$0	$0		$0		$0
Alberta Initiative for School Improvement	$250,728	$12,843	$229,600	$441	$0		$493,612
Student Health Initiative	$113,957	$18,607	$0		$0		$132,564
High Speed Networking			$0		$0		$0
Class Size	$411,075	$0	$0	$0	$0		$411,075
Children and Youth with Complex Needs (ECS - Gr 12)	$0	$0	$0		$0		$0
All Other Student Instruction Expenses (ECS - Gr 12)	$15,956,729	$818,726	$2,633,947	$0	$0	$0	$19,894,015
TOTAL EXPENSES	$19,062,752	$3,471,512	$3,675,961	$441	$0	$0	$26,695,279

FULL-TIME-EQUIVALENCIES (Board/Contract)	FTE Certificated	FTE Uncertificated
Mild & Moderate Disabilities/Gifted & Talented (ECS - Gr 1	8.3	0.0
ECS Program Unit (PUF)	0.6	5.4
Severe Disabilities (Gr 1-12)	1.0	44.8

Note 1 Excludes Learning Resources

Note 2 Includes Net School Generated Funds, Amortization, Interest, and Losses on Disposal of Instruction Program Capital Assets.

School Jurisdiction Code: 1055

SCHEDULE D to the AFS
CALCULATION OF MAXIMUM ELIGIBLE EXPENSE LIMIT FOR BOARD (GOVERNANCE) AND SYSTEM ADMINISTRATION - 2004-2005

TOTAL EXPENSES	$37,452,376

STEP 1

Calculation of maximum expense limit PERCENTAGE for Board and System Administration expenses

If "Total Net Enrolled Students" are 6,000 and over	= 4%	5.36%
If "Total Net Enrolled Students" are 2,000 and less	= 6%	

The Maximum Expense Limit for Board and System Administration is based on an arithmetical proration for the TOTAL FTE count for grades 1 -12, net of Home Education AND Adult students, between 2,000 to 6,000 at .0005 per FTE

EXAMPLE: 4,500 FTE count grades 1-12 = 6,000 - 4,500 = 1,500 X .0005 = .75% plus 4% = maximum expense limit of 4.75%

Note: Calculation unnecessary if Total FTE is 6,000 or more, and 2,000 & less

STEP 2

Calculate maximum expense limit AMOUNTS for Board and System Administration expenses

Maximum Expense Limit percentage (Step 1) x TOTAL EXPENSES		$2,008,384
Considerations for Charter Schools and Small School Boards:		
If **Charter School**, enter $56,100	$0	$0
If **School Board**, please enter your 04-05 Gr 1- 12 funded enrolment	3,275	
	$0	$0
MAXIMUM EXPENSE LIMIT		$2,008,384

STEP 3

Compare maximum expense limit amounts calculated in Step 2 to actual expenses (from Schedule A)

Actual Board Governance & System Administration expenses	$1,590,303
PLUS: transfers to Restricted - Operating (Board/System Administration)	$216,289
LESS: transfers from Restricted - Operating (Board/System Administration)	-$223,206
TOTAL BOARD GOVERNANCE & SYSTEM ADMINISTRATION EXPENSES	$1,583,386
MAXIMUM EXPENSE LIMIT	$2,008,384
ACTUAL EXPENSES - OVER(UNDER) MAXIMUM EXPENSE LIMIT	-$424,997

School Jurisdiction Code: 1055

SCHEDULE E to the AFS
SOURCE & APPLICATION OF SCHOOL GENERATED FUNDS (SGF) - 2004-2005

	Gross SGF	Related Expenses	Net SGF	
Unexpended SGF - Opening Balance August 31, 2004 (Note 1)				$510,424
Source of Net School Generated Funds:				
Fundraising activities	$1,338,938	$768,738	$570,200	
Student fees (Non-Instructional) (Note 2)	$36,597		$36,597	
Donations and grants to schools	$27,282		$27,282	
Other (describe) transfers to school budgets	$1,803	($6,151)	$7,954	
Net Additions to SGF	$1,404,620	$762,587		$642,033
Net SGF Available for Discretionary Spending				$1,152,457
Application of Net School Generated Funds:				
Extra-curricular activities			$322,945	
School beautification			$1,104	
Field Trips			$204,714	
Equipment			$14,977	
Family literacy and other community resources			$3,490	
Other (describe) donations			$24,343	
Net SGF Expended for Discretionary Purposes (Note 3)				$571,573
Unexpended SGF - Closing Balance August 31, 2005 (Note 4)				$580,884

School Generated Funds (SGF) are funds raised in the community for student activities that come under the control and responsibility of school management. These funds are usually collected and retained at the school for expenditures paid at the school level. SGF does not include fees with respect to instructional supplies or materials collected pursuant to Section 60(2)(j) of the *School Act*, and any other funds collected at the school but remitted to central office and accounted for by the jurisdiction (facility rentals, capital assets purchases, etc.)

Note 1 Input "(Restated)" beside Balance at August 31, 2004 where not taken from the finalized 2003-2004 Audited Financial Statements.

Note 2 Excludes fees collected pursuant to Section 60(2)(j) of the School Act (fees with respect to instructional supplies or materials - essentially textbooks, resource materials in lieu of textbooks, media, software, and materials for classrooms). Amounts collected for CEU-related activities are recorded as instruction resource fees, not SGF.

Note 3 Net SGF Expended for Discretionary Purposes is recorded as revenue and expense in the Statement of Revenues & Expenses.

Note 4 Unexpended SGF is carried forward to the Statement of Financial Position.

School Jurisdiction Code: 1055

SCHEDULE F to the AFS
Operations and Maintenance Program Expenses - 2004-2005

EXPENSES	Custodial	Maintenance	Utilities and Telecommunications	Expensed Mod./I.M.P. & Portable Relocations	Facility Planning & Operations Administration	SUB-TOTAL Operations & Maintenance	Supported Capital & Debt Services	TOTAL Operations and Maintenance
Uncertificated salaries and wages	$707,708	$420,670	$0	$0	$114,500	$1,242,878		$1,242,878
Uncertificated benefits	$141,542	$93,901	$0	$0	$23,501	$258,944		$258,944
Sub-total Remuneration	$849,250	$514,571	$0	$0	$138,001	$1,501,822		$1,501,822
Contracted Services	$229,000	$50,865	$0	$238,790	$13,660	$532,315		$532,315
Supplies	$98,784	$116,338	$0	$0	$7,418	$222,540		$222,540
Electricity			$322,557			$322,557		$322,557
Natural Gas/Heating Fuel			$244,713			$244,713		$244,713
Sewer and Water			$67,193			$67,193		$67,193
Telecommunications			$12,468			$12,468		$12,468
Insurance					$110,060	$110,060		$110,060
Amortization of capital assets								
Supported							$880,786	$880,786
Unsupported						$202,142		$202,142
Total Amortization						$202,142	$880,786	$1,082,928
Interest on capital debt								
Supported							$229,275	$229,275
Unsupported				$0		$0		$0
Other interest charges						$0		$0
Losses on disposal of capital assets						$0		$0
Cost recoveries & transfers						$0		$0
TOTAL EXPENSES	$1,177,033	$681,774	$646,931	$238,790	$269,139	$3,215,809	$1,110,061	$4,325,870
SQUARE METRES								
School Buildings								55,884.3
Non School Buildings								5,515.1
UNCERTIFICATED FTE'S (Board/Contract)	14.3	17.0						

Notes:

Custodial:	All expenses related to activities undertaken to keep the school environment clean and safe
Maintenance:	All expenses associated with the repair, replacement and minor construction of buildings, grounds and equipment components. This includes regular and preventative maintenance undertaken to ensure components reach or exceed their life cycle and the repair of broken components
Utilities & Telecommunications:	All expenses related to electricity, natural gas and other heating fuels, sewer and water and all forms of telecommunications
Expensed Block Mod/I.M.P. & Portable Relocations:	All expenses associated with non-capital activites related to Block Modernization, Infrastructure Maintenance Programs (AKA Building Quality Restoration Program) and portable relocations
Facility Planning & Operations Administration:	All expenses related to the administration of operations and maintenance including (but not limited to) contract administration, clerical functions, negotiations, supervision of employees and contractors, administration of capital projects (including new schools, I.M.P., block modernization and portable relocations), administration of joint-use agreements, and all expenses related to ensuring compliance with health and safety statndards, codes and government regulations
Supported Capital & Debt Services:	All expenses related to supported capital assets amortization and interest on supported capital debt

School Jurisdiction Code: 1055

SCHEDULE G to the AFS
DISCLOSURE OF SALARIES AND BENEFITS - 2004-2005
(SECTION 148.1 OF THE SCHOOL ACT)

		FTEs	Remuneration	Benefits	Allowances	Performance Bonuses	ERIP's / Other	Total	Expenses
Chairperson:									
Name	Marian Peers	1.0	$17,256	$772	$0			$18,028	$9,225
Name		0.0	$0	$0	$0			$0	$0
Other Board Members:									
Name	Kathy Cooper	1.0	$13,152	$512	$0			$13,664	$8,847
Name	Graham Dennis	1.0	$10,555	$401	$0			$10,956	$4,947
Name	Arnold Frank	1.0	$12,982	$560	$0			$13,542	$5,584
Name	Paulette Heller	1.0	$15,452	$682	$0			$16,134	$7,338
Name	Ryan Herman	1.0	$9,704	$398	$0			$10,102	$3,040
Name	Marjorie Moncrief	1.0	$15,165	$654	$0			$15,819	$8,005
Name	Georgine Westgard	1.0	$12,711	$547	$0			$13,257	$5,766
Name	David Shauf	1.0	$1,474	$59	$0			$1,533	$289
Name	Donna Kirchner	1.0	$1,536	$62	$0			$1,598	$52
Name	Elaine Erb	1.0	$1,226	$47	$0			$1,273	$87
Name	Laurie D'Agnone	1.0	$1,675	$62	$0			$1,737	$483
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Subtotal		*12.0*	*$112,887*	*$4,757*	*$0*			*$117,644*	*$53,663*
Superintendent	Keith Jones	1.0	$129,624	$6,809	$0	$0	$0	$136,433	$13,390
Superintendent		0.0	$0	$0	$0	$0	$0	$0	$0
Secretary/Treasurer	Patricia Cocks	1.0	$102,321	$14,786	$0	$0	$0	$117,107	$9,716
Secretary/Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Board Secretary		0.0	$0	$0	$0	$0	$0	$0	$0
Board Secretary		0.0	$0	$0	$0	$0	$0	$0	$0
Board Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Board Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Certificated Salaries		241.3	$17,167,173	$1,975,688	$0	$0	$0	$19,142,861	
Uncertificated Salaries & Wages		238.6	$5,108,189	$890,448	$0	$0	$0	$5,998,637	
TOTALS			**$22,620,194**	**$2,892,488**	**$0**	**$0**	**$0**	**$25,512,682**	

Note: Please refer to completion information on page 15.

School Jurisdiction Code 19

AUDITED
FINANCIAL STATEMENTS
and Supporting Schedules
FOR THE YEAR ENDED AUGUST 31, 2005
[School Act, Sections 147(2)(a), 148, 151(1) and 276]

Red Deer Catholic Regional Division No. 39
Legal Name of School Jurisdiction

5210 - 61 Street, Red Deer Alberta T4N 6N8
Mailing Address

403 - 343 - 1055 403 - 347 - 6410
Telephone and Fax Numbers

SCHOOL JURISDICTION MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The financial statements and supporting schedules Red Deer Catholic Regional Division No. 39 (Name of School Jurisdiction) presented to Alberta Learning have been prepared by school jurisdiction management which has responsibility for their preparation, integrity and objectivity. The financial statements and schedules, including notes, have been prepared in accordance with generally accepted accounting principles and Ministerial requirements for Alberta school jurisdictions.

In fulfilling its reporting responsibilities, management has maintained internal control systems and procedures designed to provide reasonable assurance that the school jurisdiction's assets are safeguarded, that transactions are executed in accordance with appropriate authorization and that accounting records may be relied upon to properly reflect the school jurisdiction's transactions. The effectiveness of the control systems is supported by the selection and training of qualified personnel, an organizational structure that provides an appropriate division of responsibility and a strong budgetary system of control.

Board of Trustees Responsibility
The ultimate responsibility for the financial statements lies with the Board of Trustees. The Board reviewed the financial statements with management in detail and the Board approved the financial statements for release.

External Auditors
The Board appoints external auditors to audit the financial statements and meets with the auditors to review their findings. The external auditors have full and free access to school jurisdiction records.

Declaration of Management and Board Chairman
To the best of our knowledge and belief, these financial statements and supporting schedules reflect, in all material respects, the financial position and results of operations and cash flows for the year in accordance with generally accepted accounting principles and Ministerial requirements for Alberta school jurisdictions.

BOARD CHAIRMAN
Mr. Gordon Bontje "ORIGINAL SIGNED"
Name **Signature**

SUPERINTENDENT
Mr. Don Dolan "ORIGINAL SIGNED"
Name **Signature**

SECRETARY TREASURER OR TREASURER
Mr. Richard Dornstauder "ORIGINAL SIGNED"
Name **Signature**

20-Dec-05
Board-approved Release Date

c.c. **ALBERTA EDUCATION, School Reporting Branch,**
8th Floor Commerce Place, 10155-102 Street, Edmonton AB T5J 4L5
EMAIL: Cindy.Jarry@gov.ab.ca
PHONE: (780) 427-7782 FAX: (780) 422-6996

Auditors' Report

To the Board of Trustees of Red Deer Catholic Regional Division #39:

We have audited the statement of financial position of Red Deer Catholic Regional Division #39 as at August 31, 2005 and the statement of revenues and expenses, cash flows, changes in net assets and capital allocations for the year then ended. These financial statements are the responsibility of the school jurisdiction's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the school jurisdiction as at August 31, 2005 and the results of its operations, changes in cash flows, net assets and capital allocations for the year then ended in accordance with Canadian generally accepted accounting principles.

Our audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplementary information included in Schedules A through G is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such supplementary information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

Meyers Norris Penny LLP

Red Deer, Alberta

November 14, 2005

Chartered Accountants

School Jurisdiction Code: 19

STATEMENT OF FINANCIAL POSITION

as at August 31, 2005

(in dollars)

		2005	2004
ASSETS			
Current assets			
Cash and temporary investments		$2,453,091	$1,259,776
Accounts receivable (net after allowances)		$3,926,115	$4,114,218
Prepaid expenses		$846,911	$687,278
Other current assets		$31,274	$23,821
Total current assets		$7,257,391	$6,085,093
School generated assets		$651,373	$563,494
Trust assets		$337,138	$298,475
Long term accounts receivable		$0	$0
Long term investments		$0	$0
Capital assets			
Land		$361,489	$361,489
Buildings	$78,194,878		
Less: accumulated amortization	($22,242,244)	$55,952,634	$55,327,881
Equipment	$7,728,947		
Less: accumulated amortization	($5,708,719)	$2,020,228	$1,998,502
Vehicles	$1,395,450		
Less: accumulated amortization	($973,049)	$422,401	$114,748
Total capital assets		$58,756,752	$57,802,620
TOTAL ASSETS		$67,002,654	$64,749,682
LIABILITIES			
Current liabilities			
Bank indebtedness		$0	$0
Accounts payable and accrued liabilities		$2,730,871	$1,651,571
Deferred revenue		$381,629	$259,518
Deferred capital allocations		$151,646	$758,087
Current portion of all long term debt		$826,182	$826,622
Total current liabilities		$4,090,328	$3,495,798
School generated liabilities		$651,373	$563,494
Trust liabilities		$337,138	$298,475
Employee future benefits liability		$241,769	$222,098
Long term payables and accrued liabilities		$0	$0
Long term debt			
Supported:	Debentures and other supported debt	$4,157,292	$4,924,806
	Less: Current portion of supported debt	($762,395)	($767,514)
Unsupported:	Debentures and Capital Loans	$0	$0
	Capital Leases	$373,592	$432,699
	Mortgages	$0	$0
	Less: Current portion of unsupported debt	($63,787)	($59,108)
Unamortized capital allocations		$51,380,083	$49,871,843
Total long term liabilities		$56,315,065	$55,486,793
TOTAL LIABILITIES		$60,405,393	$58,982,591
NET ASSETS			
Unrestricted net assets		$0	$0
Operating Reserves		$2,198,022	$1,876,340
Accumulated Operating Surplus (Deficit)		$2,198,022	$1,876,340
Investment in capital assets		$2,845,779	$2,573,265
Capital Reserves		$1,553,459	$1,317,486
Total Capital Funds		$4,399,238	$3,890,751
Total net assets		$6,597,260	$5,767,091
TOTAL LIABILITIES AND NET ASSETS		$67,002,654	$64,749,682

Note: Input "(Restated)" in 2004 column heading where comparatives are not taken from the finalized 2003-2004 Audited Financial Statements

School Jurisdiction Code: 19

STATEMENT OF REVENUES AND EXPENSES

for the Year Ended August 31, 2005

(in dollars)

	Actual 2005	Budget 2005	Actual 2004
REVENUES			
Government of Alberta	$43,303,675	$41,106,291	$40,330,382
Federal Government and/or First Nations	$24,692	$0	$41,726
Other Alberta school authorities	$59,412	$93,347	$186,491
Out of province authorities	$16,750	$0	
Alberta Municipalities (excluding supplementary requisitions)	$0	$0	($1,903)
Instruction resource fees	$520,554	$476,215	$511,296
Transportation fees	$30,330	$20,000	$30,115
Other sales and services	$329,770	$96,000	$343,440
Investment income	$105,043	$40,000	$68,970
Gifts and donations	$0	$0	$0
Rentals of facilities	$58,526	$36,975	$16,854
Net school generated funds	$87,879	$0	$288,729
Gains on disposal of capital assets	$0	$0	$4,453
Amortization of capital allocations	$2,250,538	$2,109,999	$2,115,288
Total Revenues	$46,787,169	$43,978,827	$43,935,841
EXPENSES			
Certificated salaries	$22,828,654	$22,044,424	$20,527,410
Certificated benefits	$3,145,432	$2,990,597	$2,567,443
Uncertificated salaries and wages	$6,325,491	$6,555,549	$6,073,707
Uncertificated benefits	$1,387,584	$1,259,741	$1,271,895
Services, contracts and supplies	$9,133,412	$8,316,144	$9,063,957
Net school generated funds	$87,879	$0	$288,729
Capital and debt services			
Amortization of capital assets			
Supported	$2,250,538	$2,109,999	$2,115,288
Unsupported	$280,228	$235,785	$288,846
Total Amortization of capital assets	$2,530,766	$2,345,784	$2,404,134
Interest on capital debt			
Supported	$478,485	$516,374	$562,245
Unsupported	$31,725	$31,725	$36,158
Total Interest on capital debt	$510,210	$548,099	$598,403
Other interest charges	$7,572	$0	$1,227
Losses on disposal of capital assets	$0	$0	$0
Total Expenses	$45,957,000	$44,060,338	$42,796,905
SURPLUS (DEFICIT) OF REVENUES OVER EXPENSES BEFORE EXTRAORDINARY ITEM	$830,169	($81,511)	$1,138,936
Extraordinary Item	$0	$0	$0
SURPLUS (DEFICIT) OF REVENUES OVER EXPENSES	$830,169	($81,511)	$1,138,936

Note: Input "(Restated)" in Budget 2005 and/or Actuals 2004 column headings where comparatives are not taken from the respective finalized 2004-2005 Budget Report and/or finalized 2003-2004 Audited Financial Statements.

School Jurisdiction Code: 19

STATEMENT OF CASH FLOWS

for the Year Ended August 31, 2005

(in dollars)

	2005	2004
CASH FLOWS FROM:		
A. OPERATIONS		
Surplus (deficit) of revenues over expenses for the year	$830,169	$1,138,936
Add (Deduct) items not requiring cash:		
Amortization of capital allocations revenue	($2,250,538)	($2,115,288)
Total amortization expense	$2,530,766	$2,404,134
Gains on disposal of capital assets	$0	($4,453)
Losses on sale of capital assets	$0	$0
Changes in accrued accounts		
Accounts receivable	$188,103	($1,198,188)
Prepaids and other current assets	($167,086)	$238,355
Long term accounts receivable	$0	$0
Long term investments	$0	$0
Payables and accrued liabilities	$1,079,300	($448,835)
Deferred revenue	$122,111	($287,856)
Employee future benefit expense (recovery)	$19,671	$128,923
Other (describe)	$0	$0
Total sources (uses) of cash from Operations	$2,352,497	($144,272)
B. INVESTING ACTIVITIES		
Purchases of capital assets		
Land	$0	$0
Buildings	($2,751,196)	($5,114,201)
Equipment	($381,634)	($507,074)
Vehicles	($352,068)	($25,764)
Net proceeds from disposal of capital assets	$0	$6,996
Other (describe)	$0	$0
Total sources (uses) of cash from Investing activities	($3,484,898)	($5,640,043)
C. FINANCING ACTIVITIES		
Capital allocations	$2,384,823	$5,577,190
Issue of long term debt	$0	$0
Repayment of long term debt	($826,621)	($838,910)
Add back: supported portion	$767,514	$784,137
Other (describe)	$0	$0
Total sources (uses) of cash from Financing activities	$2,325,716	$5,522,417
Net sources (uses) of cash during year	$1,193,315	($261,898)
Cash and temporary investments, net of bank indebtedness, at Aug. 31/04	$1,259,776	$1,521,674
Cash and temporary investments, net of bank indebtedness, at Aug. 31/05	$2,453,091	$1,259,776

Note: 1 Input "(Restated)" in 2004 column heading where not taken from the finalized 2003-2004 Audited Financial Statements
2 Cash and temporary investments are net of cash obligations.

STATEMENT OF CHANGES IN NET ASSETS
for the Year Ended August 31, 2005
(in dollars)

School Jurisdiction 19

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
	TOTAL NET ASSETS Cols. 2+3+4	INVESTMENT IN CAPITAL ASSETS	UNRESTRICTED NET ASSETS	TOTAL INTERNALLY RESTRICTED NET ASSETS Cols. 5 to 14	INTERNALLY RESTRICTED NET ASSETS									
					School Based		Infrastructure		Board & System Admin.		Transportation		External Services	
					Operating Reserves	Capital Reserves	O& M Operating Reserves	Capital Reserves	Operating Reserves	Capital Reserves	Operating Reserves	Capital Reserves	Operating Reserves	Capital Reserves
Balance at August 31, 2004	$5,767,091	$2,573,265	$0	$3,193,826	$1,301,118	$260,535	$340,000	$474,307	$132,335	$63,468	$102,887	$519,176	$0	$0
Prior period adjustments (describe)														
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Adjusted Balance,Aug.31, 2004	$5,767,091	$2,573,265	$0	$3,193,826	$1,301,118	$260,535	$340,000	$474,307	$132,335	$63,468	$102,887	$519,176	$0	$0
Surplus(def) of ravenue over expense	$830,169		$830,169											
Board funded capital transactions		$493,634	$0	($493,634)	$0	($41,845)	$0	($123,705)	$0	$0	$0	($328,084)	$0	$0
Direct credits to net assets	$0	$0												
Amortization of capital assets		($2,530,766)	$2,530,766											
Amortization of capital allocations		$2,250,538	($2,250,538)											
Disposal of unsupported capital asset	$0	$0	$0	$0		$0		$0		$0		$0		$0
Disposal of supported capital assets (board funded portion)	$0	$0	$0	$0		$0		$0		$0		$0		$0
Debt principal payments (unsupported)		$59,108	($59,108)											
Net transfers to operating reserves			($321,682)	$321,682	$313,561		$0		$7,922		$199		$0	
Net transfers from operating reserves			$0	$0	$0		$0		$0		$0		$0	
Net transfers to capital reserves			($729,607)	$729,607		$300,000		$209,262		$47,469		$172,876		$0
Net transfers from capital reserves			$0	$0		$0		$0		$0		$0		$0
Balance at August 31, 2005	$6,597,260	$2,845,779	$0	$3,751,481	$1,614,679	$518,690	$340,000	$559,864	$140,257	$110,937	$103,086	$363,968	$0	$0

School Jurisdiction Code: 19

STATEMENT OF CAPITAL ALLOCATIONS
(SUPPORTED CAPITAL FINANCING ONLY)
for the Year Ended August 31, 2005

(in dollars)

	Deferred Capital Allocations	Unamortized Capital Allocations
Balance at August 31, 20	$758,087	$49,871,843
Prior period adjustment	$0	$0
Adjusted balance, August 31, 2004	$758,087	$49,871,843
Add:		
Capital allocations from: Infrastructure and Transportation-New/Modernization Projects	$2,369,701	
Other Government of Alberta	$0	
Federal Government and/or First Nations	$0	
Other sources	$0	
Interest earned on provincial government capital allocations	$15,122	
Other capital grants and donations	$0	
Proceeds on disposal of supported capital assets	$0	
Insurance proceeds	$0	
Donated capital assets (amortizable, at Fair Market Value)		$0
Transferred in capital assets (amortizable, at Net Book Value)		$0
Current Year Debenture Principal Repayment		$767,514
Expended capital allocations - current year	($2,991,264)	$2,991,264
Less:		
Unamortized Capital Allocation affected by a disposal through transfer out		$0
Capital allocations amortized to revenue		$2,250,538
Balance at August 31, 2005	$151,646	$51,380,083

1. Incorporation and operations

The School Jurisdiction delivers education programs under the authority of the School Act, Revised Statutes of Alberta 2000, Chapter S-3

The jurisdiction receives block allocations for instruction and support under regulation 77/2003. The regulation allows for the setting of conditions and use of grant monies. The School Jurisdiction is limited on administration expenses and is permitted to reallocate funding within the Alberta Learning instruction and support block areas.

2. Significant accounting policies

The financial statements have been prepared in accordance with Canadian generally accepted accounting principles (GAAP) and accounting policies consistent with those prescribed by Alberta Learning for Alberta school jurisdictions. These financial statements have, in management's opinion, been properly prepared with reasonable limits of materiality and within the framework of the significant accounting policies summarized as follows:

Cash and temporary investments

Cash and cash equivalents include balances with banks and short-term investments with maturities of three months or less.

Cash subject to restrictions that prevent its use for current purposes is included in restricted cash.

Inventory

Inventory is valued at the lower of cost and net realizable value.

Investments

Investments are recorded at the lower of cost and market value

Capital assets

Capital assets are recorded at cost. Amortization is provided using rates intended to amortize the cost of assets over their estimated useful lives.

	Method	Rate
Buildings	straight-line	2.5 to 4%
Automotive	straight-line	10 and 20%
Equipment	straight-line	10 and 20%

Only assets with costs in excess of $5,000 are capitalized. Any capital allocations received for asset additions are amortized over the same period as the related asset.

Revenue recognition

Revenue is recognized as follows:

Instruction and support allocations are recognized in the year to which they are related.

Fees for services related to courses and programs are recognized as revenue when such courses and programs are delivered.

Capital contributions from the province or other agencies are recorded as deferred capital allocations. Once spent, they are transferred to unamortized capital allocations which are amortized to revenue on the same basis as the capital asset acquired by the grant.

Unrestricted contributions are recognized as revenue when received and receivable. Contributions in-kind are recorded at fair market value when reasonably determinable.

Externally restricted contributions are deferred and recognized as revenue in the period in which the restriction is complied with. Endowment funds, which are to be retained as net assets, are recorded as direct increases in trust assets and liabilities.

Pension expense

Pension costs included in these financial statements comprise the cost of employer contributions for the current service of employees during the year.

The current service and past service costs of the Alberta Teacher Retirement Fund are met by contributions by active members and the Government of Alberta. Under the terms of the Teacher Pension Plan Act, the Red Deer Regional Division #39 does not make pension contributions for certificated staff.

The school board participates in the multi-employer pension plan, Local Authorities Pension Plan. The expense for this pension plan is equivalent to the annual contributions of $88,267 (2004 - $63,456) for the year ended August 31, 2005. At December 31, 2004, the Local Authorities Pension Plan reported an actuarial deficiency of $1,288,924,000 (2003 - deficiency of $1,453,487,000).

Post retirement benefits

In addition to its pension plans, the School Jurisdiction provides other post retirement benefits, including health, dental and life insurance, to its qualifying employees. The actuarially determined cost of these benefits is accrued over the estimated service lives of employees.

Measurement uncertainty (use of estimates)

The preparation of financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period.

Accounts receivable are stated after evaluation as to their collectibility and an appropriate allowance for doubtful accounts is provided where considered necessary.

Amortization is based on the estimated useful lives of capital assets.

These estimates and assumptions are reviewed periodically and, as adjustments become necessary they are reported in earnings in the periods in which they become known.

School generated funds

These are funds in the community, which come under the control and responsibility of the school principal and are for school activities. These funds are usually collected and retained at the school for expenditures paid at the school level (i.e. yearbook sales, graduation fees, field trip fees, etc.)

Vacation pay

Vacation pay is accrued in the period in which the employee earns the benefit.

Prepaid expenses

Certain expenditures incurred and paid before the close of the school year are for specific school supplies, which will be consumed subsequent to year-end, and are accordingly recorded as prepaid expenses. Certain insurance expenses fall into this category.

Contributed services

Volunteers contribute a considerable number of hours per year to various schools, which are within the school board to ensure that certain programs are delivered, such as kindergarten, lunch services and the raising of school generated funds. Because of the difficulty of compiling these hours and the fact that these services are not otherwise purchased, contributed services are not recognized in the financial statements.

Operating and capital reserves

Reserves are established at the discretion of the Board of Trustees of the jurisdiction or by external parties, to set aside funds for operating and for future capital expenditures. Such reserves are appropriations of unrestricted net assets.

Employee future benefits

The jurisdiction accrues its obligations under employee future benefit plans and expenses the related costs. As at August 31, 2005, the recorded obligation is $241,769 (2004 - $222,098). The total expense recorded in the financial statements is $111,683 (2004 - $9,998).

3. Accounts receivable

	2005	*2004*
Province of Alberta	**2,332,085**	2,851,855
Federal Government	**336,075**	206,583
Alberta Municipalities	**828,324**	776,497
Other	**429,631**	279,283
	3,926,115	4,114,218

4. Property, plant and equipment

Property, plant and equipment includes assets under capital lease with a cost of $628,648 (2004 - $628,648), and accumulated amortization of $125,730 (2004 - $100,584).

5. Bank indebtedness

The School Division has negotiated a line of credit in the amount of $2,000,000 (2004 - $2,000,000) that bears interest at the bank prime rate less 0.6%. The line of credit, which is secured by a borrowing resolution incorporating a first charge over all monies becoming due or payable to the borrower, including municipal levies, covers all revenue of the School Division. There was no balance outstanding on the line of credit at August 31, 2005 (2004 - $0).

6. Accounts payable

	2005	*2004*
Province of Alberta	**1,039,517**	1,066,055
Alberta Municipalities	**7,724**	6,997
Other trade payables and accrued liabilities	**1,683,630**	578,519
	2,730,871	1,651,571

7. Long-term debt

	2005	*2004*
The Division has issued the following debentures to the Alberta Municipal Finance Corporation to finance the construction of school buildings having a carrying value of $11,129,192 (2004 - $11,821,735)	**4,157,292**	4,924,806
Less: current portion	**762,395**	767,514
	3,394,897	4,157,292

Principal repayments on long-term debt in each of the next five years are estimated as follows:

2006	762,395
2007	730,091
2008	654,091
2009	586,316
2010	445,170

8. Capital lease obligation

	2005	*2004*
Capital lease bearing interest at the Scotia Leasing Five Year Base Rate, currently 6.39% (2004 - 6.39%) plus 1.25% payable in monthly installments of $7,511 including interest, secured by related equipment having a carrying value of $502,918 (2004 - $528,064)	**373,592**	432,699
Less: current portion	**63,787**	59,108
	309,805	373,591

Minimum lease payments related to the obligation under capital lease are as follows:

2006	90,137
2007	90,137
2008	90,137
2009	90,137
2010	90,137
	450,685
	450,685
Less: imputed interest	(77,093)
	373,592
Less: current portion	(63,787)
	309,805

9. Deferred capital allocations

Deferred capital allocations represent externally-restricted supported capital funds provided for a specific capital purpose that have been received or are receivable by the jurisdictions, but the related expenditure has not yet been made at year-end. These unspent deferred capital allocations are not amortized until the expenditure has been made and it is at this time that the balance is transferred to the unamortized capital allocations account.

10. Unamortized capital allocations

Unamortized capital allocations represent externally-restricted supported capital funds that have been spent, but have yet to be amortized over the useful life of the applicable capital asset to which the restricted capital allocations apply. The unamortized capital allocations account balance is increased by transfers of previously deferred capital allocations expended, as well as fully-supported debenture principal repayments.

11. Lease commitments

The School Division has entered into various lease agreements with estimated minimum annual payments as follows:

2006	373,952
2007	318,247
2008	195,138
2009	74,566
2010	74,566

12. Economic dependence

The School Division's primary source of income is from the Alberta Government. The Division's ability to continue viable operations is dependent on this funding.

13. Contingencies

The School Division has been named as defendant in a lawsuit on behalf of the non teaching staff, seeking to recover damages allegedly sustained by them as a result of underfunding of the pension fund. These lawsuits remain at an early stage, and as litigation is subject to many uncertainties, it is not possible to predict the ultimate outcome of these lawsuits or to estimate the loss, if any, which may result. The School Division's insurers have been advised of these claims and are cooperating with the School Division in the defense of these lawsuits subject to policy deductibles, limits, and terms and conditions.

In the normal conduct of operations, there are other pending claims by and against the School Division. Litigation is subject to many uncertainties, and the outcome of individual matters is not predictable with assurance. In the opinion of management, based on the advice and information provided by its legal counsel, final determination of these other litigations will not materially affect the School Division's financial position or results of operations.

14. Financial instruments

The School Division, as part of its operations, has a number of financial instruments. It is management's opinion that the School Division is not exposed to significant currency or credit risks arising from these financial instruments. Unless otherwise noted, the fair values of these financial instruments approximate their carrying values. The School Board has invested surplus funds in accordance with Section 60 of the School Act and Section 5 of the Trustee Act.

Fair value disclosure

The carrying amount of accounts receivable, accounts payable and accrued liabilities approximates their fair value due to the short-term maturities of these items.

The carrying value of the School Division's capital lease obligations approximates its fair value, because interest charges under the terms of the lease are based upon current Scotia Lease lending rates.

The fair value of the School Division's long-term financial instruments is estimated using discounted cash flow analysis based on current market rates for such instruments with similar terms and risks. Based on these assumptions, the fair values as at November 18, 2004 of these long-term financial instruments are as follows:

	2005 (2004)	
	Carrying Amount	Fair Value
Long-term debt	$4,157,292 ($4,924,806)	$5,255,867 ($6,688,397)

Fair values are based on management's best estimates after consideration of current market conditions. The estimates are subjective and involve considerable judgment, and as such are not necessarily indicative of the amounts that the School Division may incur in actual market transactions.

Interest rate risk

Interest rate risk is the risk that the value of a financial instrument might be adversely affected by a change in the interest rates. In seeking to minimize the risks from interest rate fluctuations, the School Division manages exposure through its normal operating and financing activities. The School Division is exposed to interest rate risk primarily through its long-term debt of $4,157,292 (2004 - $4,924,806) and its capital lease obligations of $373,592 (2004 - $432,699).

15. Budgeted amounts

The budget was prepared by the School Division and approved by the Board of Trustees. It is presented for information purposes only and has not been audited.

16. Comparative figures

Certain comparative figures have been reclassified to conform with current year presentation.

SCHEDULE A to the AFS

School Jurisdiction Cod 19

ALLOCATION OF REVENUES AND EXPENSES TO PROGRAMS - 2004-2005

	REVENUES	TOTAL	ECS to Grade 12 Instruction	Operations and Maintenance of Schools & Maintenance Shops	Transportation	Board & System Admin.	External Services
(1)	**Alberta Education Revenues**	$38,516,151	$34,624,189	$0	$2,193,350	$1,656,438	$42,174
	Alberta Infrastructure and Transportation						
(2)	Infrastructure Maintenance Program & Portable Relocations support	$559,670	$0	$559,670			
(3)	Regular Operations & Maintenance support	$3,530,205		$3,530,205			
(4)	Other support	$0	$0	$0			
(5)	**Total Alberta Infrastructure and Transportation Revenues**	$4,089,875	$0	$4,089,875			
(6)	**Alberta Finance**	$478,485		$478,485			$0
(7)	**Other - Government of Alberta**	$219,164	$0	$0	$0	$0	$219,164
(8)	**Federal Government and/or First Nations**	$24,692	$24,692	$0	$0	$0	$0
(9)	**Other Alberta school authorities**	$59,412	$0	$0	$0	$0	$59,412
(10)	**Out of province authorities**	$16,750	$16,750	$0	$0	$0	$0
(11)	**Alberta municipalities** (excl. supplementary requisitions)	$0	$0	$0	$0	$0	$0
(12)	**Instruction resource fees**	$520,554	$520,554				
(13)	**Transportation fees**	$30,330			$30,330		
(14)	**Other sales and services**	$329,770	$154,918	$11,733	$136,633	$21,215	$5,271
(15)	**Investment income**	$105,043	$0	$40,000	$65,043	$0	$0
(16)	**Gifts and donations**	$0	$0	$0	$0		$0
(17)	**Rentals of facilities**	$58,526	$15,615	$2,902	$0	$40,009	$0
(18)	**Net school generated funds**	$87,879	$87,879			$0	
(19)	**Gains on disposal of capital assets**	$0	$0	$0	$0	$0	$0
(20)	**Amortization of capital allocations**	$2,250,538	$198,614	$2,051,924	$0		$0
(21)	**TOTAL REVENUES**	$46,787,169	$35,643,211	$6,674,919	$2,425,356	$1,717,662	$326,021
	EXPENSES						
(22)	**Certificated salaries**	$22,828,654	$22,580,384			$248,270	$0
(23)	**Certificated benefits**	$3,145,432	$3,068,321			$77,111	$0
(24)	**Uncertificated salaries and wages**	$6,325,491	$3,949,391	$693,885	$932,322	$646,447	$103,446
(25)	**Uncertificated benefits**	$1,387,584	$953,910	$162,622	$83,238	$167,696	$20,118
(26)	**SUB - TOTAL**	$33,687,161	$30,552,006	$856,507	$1,015,560	$1,139,524	$123,564
(27)	**Services, contracts & supplies**	$9,133,412	$3,886,914	$3,134,573	$1,386,721	$522,747	$202,457
(28)	**Cost recoveries & charges to programs**	$0	$0	$0	$0	$0	$0
(29)	**Net school generated funds**	$87,879	$87,879				
	Capital and debt services						
	Amortization of capital assets						
(30)	Supported	$2,250,538	$198,614	$2,051,924	$0	$0	$0
(31)	Unsupported	$280,228	$119,294	$90,589	$22,876	$47,469	$0
(32)	Total Amortization	$2,530,766	$317,908	$2,142,513	$22,876	$47,469	$0
	Interest on capital debt						
(33)	Supported	$478,485	$0	$478,485	$0	$0	$0
(34)	Unsupported	$31,725	$0	$31,725	$0	$0	$0
(35)	Other interest charges	$7,572	$6,248	$1,324	$0	$0	$0
(36)	Losses on disposal of capital assets	$0	$0	$0	$0	$0	$0
(37)	**TOTAL EXPENSES**	$45,957,000	$34,850,955	$6,645,127	$2,425,157	$1,709,740	$326,021
(38)	**SURPLUS (DEFICIT) BEFORE EXTRAORDINARY ITEM**	$830,169	$792,256	$29,792	$199	$7,922	$0

School Jurisdiction Code: 19

SCHEDULE B to the AFS

ALBERTA EDUCATION REVENUES 2004-2005

	TOTAL
Base Funding	
Early Childhood Services (ECS)	$1,652,353
Base Instruction (Gr 1-12)	$26,861,842
Outreach Programs	$52,020
Home Education	$0
Differential Cost Funding *	$7,869,386
Other Provincial Support	
Institutional Programs	$0
Regional Consortium (6 boards) and Regional Educational Consulting Services (4 boards)	$0
Learning Resources Credit	$54,449
Federal French Funding	$63,119
Provincial Priority Targeted Funding	
Class Size Initiative	$937,282
Student Health Initiative (SHI)	$86,653
Alberta Initiative for School Improvement (AISI)	$663,770
High Speed Networking	$97,120
Children and Youth with Complex Needs	$0
Other Alberta Education Revenues (describe) Video conference, classroom textbooks, technology preparation	$178,157
Total Alberta Education Revenues	$38,516,151

* Differential Cost Funding is based on distribution formulas designed to address variable cost factors and incremental costs associated with other variables and specific student populations. Included in differential cost funding are allocations for students with severe disabilities, English as a second language students, Francisation and support services for immigrant students, aboriginal students, gifted & talented early childhood services children and those with mild or moderate or severe disabilities, the percentage of the student population experiencing low socio-economic status, small schools by necessity, intra-jurisdiction distances, year to year enrolment fluctuations, small school board administration, schools located in the north, boarding, transportation, stabilization of funding, and cost differences among school jurisdictions for purchasing goods and services.

School Jurisdiction Code: 19

SCHEDULE C the AFS

ECS to Grade 12 INSTRUCTION PROGRAMS Expense Details - 2004-2005

SUB-PROGRAMS & INITIATIVES	ECS to GRADE 12 Instruction						
	Certificated Remuneration	Uncertificated Remuneration	Services, Contracts & Supplies [1]	Learning Resources	Cost Recoveries & Transfers	Other Expenses [2]	TOTAL EXPENSES
School Administration & All Instruction Support	$3,022,709	$1,908,779	$607,316		$0	$0	$5,538,804
Mild & Moderate Disabilities/Gifted & Talented (ECS-12)	$1,988,169	$431,663	$115,323		$0		$2,535,155
ECS Program Unit (PUF)	$0	$209,065	$93,804		$0		$302,869
Severe Disabilities (Gr 1-12)	$1,313,168	$1,561,174	$31,165		$0		$2,905,507
English as a Second Language	$77,960	$36,737	$2,530		$0		$117,227
French Language Program & Francisation (all jurisdictions)	$0	$0	$63,120		$0		$63,120
First Nations, Metis and Inuit Education (ECS - Gr 12)	$0	$0	$65,415		$0		$65,415
Home Education	$0	$0	$0		$0		$0
Institutional Programs	$0	$0	$0		$0		$0
Alberta Initiative for School Improvement	$750,037	$131,613	$54,399	$0	$0		$936,049
Student Health Initiative	$0	$82,789	$13,885		$0		$96,674
High Speed Networking			$69,699		$0		$69,699
Class Size	$1,025,650	$0	$0	$0	$0		$1,025,650
Children and Youth with Complex Needs (ECS - Gr 12)	$0	$0	$0		$0		$0
All Other Student Instruction Expenses (ECS - Gr 12)	$17,471,012	$541,481	$1,184,106	$1,566,152	$0	$417,397	$21,194,786
TOTAL EXPENSES	$25,648,705	$4,903,301	$2,300,762	$1,566,152	$0	$417,397	$34,850,955

FULL-TIME-EQUIVALENCIES (Board/Contract)	FTE Certificated	FTE Uncertificated
Mild & Moderate Disabilities/Gifted & Talented (ECS - Gr 1	27.2	13.5
ECS Program Unit (PUF)	0.0	8.5
Severe Disabilities (Gr 1-12)	18.0	48.8

Note 1 Excludes Learning Resources.

Note 2 Includes Net School Generated Funds, Amortization, Interest, and Losses on Disposal of Instruction Program Capital Assets

School Jurisdiction Code: 19

SCHEDULE D to the AFS

CALCULATION OF MAXIMUM ELIGIBLE EXPENSE LIMIT FOR BOARD (GOVERNANCE) AND SYSTEM ADMINISTRATION - 2004-2005

TOTAL EXPENSES	**$45,957,000**

STEP 1

Calculation of maximum expense limit PERCENTAGE for Board and System Administration expenses

If "Total Net Enrolled Students" are 6,000 and over	= 4%	**4.36%**
If "Total Net Enrolled Students" are 2,000 and less	= 6%	

The Maximum Expense Limit for Board and System Administration is based on an arithmetical proration for the TOTAL FTE count for grades 1 -12, net of Home Education AND Adult students, between 2,000 to 6,000 at .0005 per FTE

EXAMPLE 4,500 FTE count grades 1-12 = 6,000 - 4,500 = 1,500 X .0005 = .75% plus 4% = maximum expense limit of 4.75%

Note: Calculation unnecessary if Total FTE is 6,000 or more, and 2,000 & less

STEP 2

Calculate maximum expense limit AMOUNTS for Board and System Administration expenses

Maximum Expense Limit percentage (Step 1) x TOTAL EXPENSES		$2,003,725
Considerations for Charter Schools and Small School Boards:		
If **Charter School**, enter $56,100	$0	$0
If **School Board**, please enter your 04-05 Gr 1- 12 funded enrolment	5,290	
	$0	$0
MAXIMUM EXPENSE LIMIT		**$2,003,725**

STEP 3

Compare maximum expense limit amounts calculated in Step 2 to actual expenses (from Schedule A)

Actual Board Governance & System Administration expenses	$1,709,740
PLUS: transfers to Restricted - Operating (Board/System Administration)	$7,922
LESS: transfers from Restricted - Operating (Board/System Administration)	$0
TOTAL BOARD GOVERNANCE & SYSTEM ADMINISTRATION EXPENSES	$1,717,662
MAXIMUM EXPENSE LIMIT	$2,003,725
ACTUAL EXPENSES - OVER(UNDER) MAXIMUM EXPENSE LIMIT	-$286,063

School Jurisdiction Code: 19

SCHEDULE E to the AFS
SOURCE & APPLICATION OF SCHOOL GENERATED FUNDS (SGF) - 2004-2005

	Gross SGF	Related Expenses	Net SGF	
Unexpended SGF - Opening Balance August 31, 2004 (Note 1)				$563,494
Source of Net School Generated Funds:	Gross SGF	Related Expenses	Net SGF	
Fundraising activities	$741,917	$315,542	$426,375	
Student fees (Non-Instructional) (Note 2)	$485,158		$485,158	
Donations and grants to schools	$81,452		$81,452	
Other (describe)	$61,735	$85,045	($23,310)	
Net Additions to SGF	$1,370,262	$400,587		$969,675
Net SGF Available for Discretionary Spending				$1,533,169
Application of Net School Generated Funds:				
Extra-curricular activities			$646,821	
School beautification			$33,825	
Field Trips			$66,557	
Equipment			$15,192	
Family literacy and other community resources			$3,010	
Other (describe)			$116,391	
Net SGF Expended for Discretionary Purposes (Note 3)				$881,796
Unexpended SGF - Closing Balance August 31, 2005 (Note 4)				$651,373

School Generated Funds (SGF) are funds raised in the community for student activities that come under the control and responsibility of school management. These funds are usually collected and retained at the school for expenditures paid at the school level. SGF does not include fees with respect to instructional supplies or materials collected pursuant to Section 60(2)(j) of the *School Act*, and any other funds collected at the school but remitted to central office and accounted for by the jurisdiction (facility rentals, capital assets purchases, etc.)

Note 1 Input "(Restated)" beside Balance at August 31, 2004 where not taken from the finalized 2003-2004 Audited Financial Statements

Note 2 Excludes fees collected pursuant to Section 60(2)(j) of the School Act (fees with respect to instructional supplies or materials - essentially textbooks, resource materials in lieu of textbooks, media, software, and materials for classrooms). Amounts collected for CEU-related activities are recorded as instruction resource fees, not SGF.

Note 3 Net SGF Expended for Discretionary Purposes is recorded as revenue and expense in the Statement of Revenues & Expenses

Note 4 Unexpended SGF is carried forward to the Statement of Financial Position

School Jurisdiction Code: ____ 19

SCHEDULE F to the AFS
Operations and Maintenance Program Expenses - 2004-2005

EXPENSES	Custodial	Maintenance	Utilities and Telecommunications	Expensed Mod./I.M.P. & Portable Relocations	Facility Planning & Operations Administration	SUB-TOTAL Operations & Maintenance	Supported Capital & Debt Services	TOTAL Operations and Maintenance
Uncertificated salaries and wages	$0	$533,177	$0	$0	$160,708	$693,885		$693,885
Uncertificated benefits	$0	$133,344	$0	$0	$29,278	$162,622		$162,622
Sub-total Remuneration	$0	$666,521	$0	$0	$189,986	$856,507		$856,507
Contracted Services	$911,404	$541,763	$0	$427,643	$0	$1,880,810		$1,880,810
Supplies	$0	$310,287	$0	$0	$0	$310,287		$310,287
Electricity			$539,172			$539,172		$539,172
Natural Gas/Heating Fuel			$270,638			$270,638		$270,638
Sewer and Water			$53,091			$53,091		$53,091
Telecommunications			$15,459			$15,459		$15,459
Insurance					$65,116	$65,116		$65,116
Amortization of capital assets								
Supported							$2,051,924	$2,051,924
Unsupported						$90,589		$90,589
Total Amortization						$90,589	$2,051,924	$2,142,513
Interest on capital debt								
Supported							$478,485	$478,485
Unsupported				$0		$31,725		$31,725
Other interest charges						$1,324		$1,324
Losses on disposal of capital assets						$0		$0
Cost recoveries & transfers						$0		$0
TOTAL EXPENSES	$911,404	$1,518,571	$878,360	$427,643	$255,102	$4,114,718	$2,530,409	$6,645,127
SQUARE METRES								
School Buildings								62,725.0
Non School Buildings								2,781.0
UNCERTIFICATED FTE'S (Board/Contract)	42.0	14.6						

Notes:

Custodial:	All expenses related to activities undertaken to keep the school environment clean and safe
Maintenance:	All expenses associated with the repair, replacement and minor construction of buildings, grounds and equipment components. This includes regular and preventative maintenance undertaken to ensure components reach or exceed their life cycle and the repair of broken components
Utilities & Telecommunications:	All expenses related to electricity, natural gas and other heating fuels, sewer and water and all forms of telecommunications
Expensed Block Mod/I.M.P. & Portable Relocations:	All expenses associated with non-capital activites related to Block Modernization, Infrastructure Maintenance Programs (AKA Building Quality Restoration Program) and portable relocations
Facility Planning & Operations Administration:	All expenses related to the administration of operations and maintenance including (but not limited to) contract administration, clerical functions, negotiations, supervision of employees and contractors, administration of capital projects (including new schools, I.M.P., block modernization and portable relocations), administration of joint-use agreements and all expenses related to ensuring compliance with health and safety statndards, codes and government regulations
Supported Capital & Debt Services:	All expenses related to supported capital assets amortization and interest on supported capital debt

School Jurisdiction Code: 19

SCHEDULE G to the AFS
DISCLOSURE OF SALARIES AND BENEFITS - 2004-2005
(SECTION 148.1 OF THE SCHOOL ACT)

		FTEs	Remuneration	Benefits	Allowances	Performance Bonuses	ERIP's / Other	Total	Expenses
Chairperson:									
Name	Mr. Gord Bontje	1.0	$12,070	$4,340	$0			$16,410	$580
Name		0.0	$0	$0	$0			$0	$0
Other Board Members:									
Name	Mr. Lloyd baumgarten	1.0	$13,684	$2,140	$0			$15,824	$3,198
Name	Mrs. Elaine Halter	1.0	$11,585	$4,436	$0			$16,021	$3,190
Name	Mrs. Bev Heisler	1.0	$11,934	$4,454	$0			$16,388	$3,056
Name	Mr. Liam McNiff	1.0	$10,932	$3,287	$0			$14,219	$2,021
Name	Mrs. Christine Moore	0.0	$9,139	$3,685	$0			$12,824	$3,469
Name	Mr. Steve Taylor	1.0	$12,150	$3,340	$0			$15,490	$4,571
Name	Mrs. Debby Whitecotton	0.0	$1,535	$696	$0			$2,231	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Subtotal		_6.0_	_$83,029_	_$26,378_	_$0_			_$109,407_	_$20,085_
Superintendent	Mr. Don Dolan	1.0	$133,302	$49,010	$0	$0	$0	$182,312	$13,309
Superintendent		1.0	$0	$0	$0	$0	$0	$0	$0
Secretary/Treasurer	Mr. Richard Domstauder	0.0	$114,968	$38,023	$0	$0	$3,610	$156,601	$7,590
Secretary/Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Board Secretary		0.0	$0	$0	$0	$0	$0	$0	$0
Board Secretary		0.0	$0	$0	$0	$0	$0	$0	$0
Board Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Board Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Certificated Salaries		334.2	$22,593,952	$3,096,422	$0	$0	$101,400	$25,791,774	
Uncertificated Salaries & Wages		395.0	$6,127,494	$1,323,183	$0	$0	$0	$7,450,677	
TOTALS			**$29,052,745**	**$4,533,016**	**$0**	**$0**	**$105,010**	**$33,690,771**	

Note: Please refer to completion information on page 15

School Jurisdiction Code 3070

AUDITED
FINANCIAL STATEMENTS
and Supporting Schedules
FOR THE YEAR ENDED AUGUST 31, 2005
[School Act, Sections 147(2)(a), 148, 151(1) and 276]

The Board of Trustees of the Red Deer Public School District No. 104
Legal Name of School Jurisdiction

4747 53rd Street, Red Deer, Alberta T4N 2E6
Mailing Address

403-343-1405 (ph) 403-347-8190 (fax)
Telephone and Fax Numbers

SCHOOL JURISDICTION MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The financial statements and supporting schedules The Board of Trustees of the Red Deer Public School District No. 104 (Name of School Jurisdiction) presented to Alberta Learning have been prepared by school jurisdiction management which has responsibility for their preparation, integrity and objectivity. The financial statements and schedules, including notes, have been prepared in accordance with generally accepted accounting principles and Ministerial requirements for Alberta school jurisdictions.

In fulfilling its reporting responsibilities, management has maintained internal control systems and procedures designed to provide reasonable assurance that the school jurisdiction's assets are safeguarded, that transactions are executed in accordance with appropriate authorization and that accounting records may be relied upon to properly reflect the school jurisdiction's transactions. The effectiveness of the control systems is supported by the selection and training of qualified personnel, an organizational structure that provides an appropriate division of responsibility and a strong budgetary system of control.

Board of Trustees Responsibility
The ultimate responsibility for the financial statements lies with the Board of Trustees. The Board reviewed the financial statements with management in detail and the Board approved the financial statements for release.

External Auditors
The Board appoints external auditors to audit the financial statements and meets with the auditors to review their findings. The external auditors have full and free access to school jurisdiction records.

Declaration of Management and Board Chairman
To the best of our knowledge and belief, these financial statements and supporting schedules reflect, in all material respects, the financial position and results of operations and cash flows for the year in accordance with generally accepted accounting principles and Ministerial requirements for Alberta school jurisdictions.

BOARD CHAIRMAN

Dr. W.K. Stuebing — **"Original Signed"**
Name — Signature

SUPERINTENDENT

Mr. D. Falk — **"Original Signed"**
Name — Signature

SECRETARY TREASURER OR TREASURER

Mrs. D. Beck — **"Original Signed"**
Name — Signature

14-Dec-05
Board-approved Release Date

c.c. **ALBERTA EDUCATION, School Reporting Branch,**
8th Floor Commerce Place, 10155-102 Street, Edmonton AB T5J 4L5
EMAIL: Cindy.Jarry@gov.ab.ca
PHONE: (780) 427-7782 FAX: (780) 422-6996

Collins Barrow
Chartered Accountants & Consultants

COLLINS BARROW RED DEER LLP
300, 5010 - 43 Street
Red Deer, Alberta, Canada
T4N 6H2

T. 403.342.5541
F. 403.347.3766
email reddeer@collinsbarrow.com

AUDITORS' REPORT

To the Board of Trustees of
Red Deer Public School District No. 104

We have audited the statement of financial position of the Board of Trustees of the Red Deer Public School District No. 104 as at August 31, 2005 and the statements of revenues and expenses, cash flows, changes in net assets and capital allocations for the year then ended. These financial statements are the responsibility of the school jurisdiction's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the school jurisdiction as at August 31, 2005 and the results of its operations, changes in cash flows, net assets and capital allocations for the year then ended in accordance with Canadian generally accepted accounting principles.

Our audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplementary information included in Schedules A through G is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such supplementary information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

Collins Barrow
Red Deer LLP

Chartered Accountants

Red Deer, Alberta

November 8, 2005

A member of
Moores Rowland International
an association of independent
accounting firms throughout
the world

School Jurisdiction Code: 3070

STATEMENT OF FINANCIAL POSITION

as at August 31, 2005

(in dollars)

			2005	2004 (Restated)
ASSETS				
Current assets				
Cash and temporary investments			$7,248,197	$14,070,891
Accounts receivable (net after allowances)			$5,957,569	$3,445,722
Prepaid expenses			$270,931	$234,935
Other current assets			$229,467	$252,039
Total current assets			$13,706,164	$18,003,587
School generated assets			$1,196,554	$1,273,589
Trust assets			$513,559	$426,617
Long term accounts receivable			$0	$0
Long term investments			$0	$0
Capital assets				
Land			$1,416,015	$1,416,015
Buildings		$104,762,479		
Less: accumulated amortization		($36,738,147)	$68,024,332	$57,793,433
Equipment		$9,586,523		
Less: accumulated amortization		($8,051,836)	$1,534,687	$1,909,706
Vehicles		$1,355,179		
Less: accumulated amortization		($915,464)	$439,715	$436,038
Total capital assets			$71,414,749	$61,555,192
TOTAL ASSETS			$86,831,026	$81,258,985
LIABILITIES				
Current liabilities				
Bank indebtedness			$0	$0
Accounts payable and accrued liabilities			$4,482,441	$5,457,389
Deferred revenue			$1,410,319	$1,115,290
Deferred capital allocations			$3,135,535	$5,490,732
Current portion of all long term debt			$2,126,089	$2,176,186
Total current liabilities			$11,154,385	$14,239,597
School generated liabilities			$1,196,554	$1,273,589
Trust liabilities			$513,559	$426,617
Employee future benefits liability			$0	$0
Long term payables and accrued liabilities			$0	$0
Long term debt				
Supported	Debentures and other supported debt		$14,061,096	$16,237,282
	Less: Current portion of supported debt		($2,126,089)	($2,176,186)
Unsupported	Debentures and Capital Loans		$0	$0
	Capital Leases		$0	$0
	Mortgages		$0	$0
	Less: Current portion of unsupported debt		$0	$0
Unamortized capital allocations			$52,007,171	$39,990,190
Total long term liabilities			$65,652,291	$55,751,492
TOTAL LIABILITIES			$76,806,676	$69,991,089
NET ASSETS				
Unrestricted net assets			$331,118	$671,527
Operating Reserves			$4,124,185	$5,067,170
Accumulated Operating Surplus (Deficit)			$4,455,304	$5,738,697
Investment in capital assets			$5,346,480	$5,285,598
Capital Reserves			$222,567	$243,600
Total Capital Funds			$5,569,047	$5,529,198
Total net assets			$10,024,351	$11,267,895
TOTAL LIABILITIES AND NET ASSETS			$86,831,026	$81,258,984

Note: Input "(Restated)" in 2004 column heading where comparatives are not taken from the finalized 2003-2004 Audited Financial Statements

School Jurisdiction Code: 3070

STATEMENT OF REVENUES AND EXPENSES

for the Year Ended August 31, 2005

(in dollars)

	Actual 2005	Budget 2005	Actual 2004 (Restated)
REVENUES			
Government of Alberta	$68,819,676	$66,341,658	$65,491,139
Federal Government and/or First Nations	$129,446	$96,000	$0
Other Alberta school authorities	$138,118	$230,749	$121,398
Out of province authorities	$0	$0	$705,137
Alberta Municipalities (excluding supplementary requisitions)	$79,959	$0	$43,052
Instruction resource fees	$1,328,907	$1,326,000	$956,568
Transportation fees	$216,731	$169,850	$192,757
Other sales and services	$1,152,808	$1,062,800	$903,411
Investment income	$199,485	$185,000	$171,532
Gifts and donations	$79,237	$0	$86,621
Rentals of facilities	$64,554	$43,500	$70,410
Net school generated funds	$175,208	$200,000	$121,528
Gains on disposal of capital assets	$0	$0	$0
Amortization of capital allocations	$2,603,150	$3,022,751	$2,651,444
Total Revenues	$74,987,279	$72,678,308	$71,514,997
EXPENSES			
Certificated salaries	$38,111,191	$36,478,844	$35,088,188
Certificated benefits	$5,156,122	$5,032,804	$5,019,910
Uncertificated salaries and wages	$11,909,268	$11,032,259	$11,034,411
Uncertificated benefits	$1,951,989	$1,559,980	$1,750,219
Services, contracts and supplies	$14,271,556	$13,223,041	$11,868,474
Net school generated funds	$175,208	$200,000	$121,528
Capital and debt services			
Amortization of capital assets			
Supported	$2,603,150	$3,022,751	$2,651,444
Unsupported	$635,763	$597,826	$579,901
Total Amortization of capital assets	$3,238,913	$3,620,577	$3,231,345
Interest on capital debt			
Supported	$1,404,886	$1,530,803	$1,621,725
Unsupported	$0	$0	$0
Total Interest on capital debt	$1,404,886	$1,530,803	$1,621,725
Other interest charges	$11,690	$0	$7,214
Losses on disposal of capital assets	$0	$0	$0
Total Expenses	$76,230,823	$72,678,308	$69,743,014
SURPLUS (DEFICIT) OF REVENUES OVER EXPENSES BEFORE EXTRAORDINARY ITEM	($1,243,544)	$0	$1,771,983
Extraordinary Item	$0	$0	$0
SURPLUS (DEFICIT) OF REVENUES OVER EXPENSES	($1,243,544)	$0	$1,771,983

Note: Input "(Restated)" in Budget 2005 and/or Actuals 2004 column headings where comparatives are not taken from the respective finalized 2004-2005 Budget Report and/or finalized 2003-2004 Audited Financial Statements.

School Jurisdiction Code: 3070

STATEMENT OF CASH FLOWS

for the Year Ended August 31, 2005

(in dollars)

	2005	2004 (Restated)
CASH FLOWS FROM:		
A. OPERATIONS		
Surplus (deficit) of revenues over expenses for the year	($1,243,544)	$1,771,983
Add (Deduct) items not requiring cash		
Amortization of capital allocations revenue	($2,603,150)	($2,651,444)
Total amortization expense	$3,238,913	$3,231,345
Gains on disposal of capital assets	$0	$0
Losses on sale of capital assets	$0	$0
Changes in accrued accounts:		
Accounts receivable	($2,511,847)	$31,853
Prepaids and other current assets	($13,424)	$9,180
Long term accounts receivable	$0	$0
Long term investments	$0	$0
Payables and accrued liabilities	($974,948)	$869,525
Deferred revenue	$295,029	($112,880)
Employee future benefit expense (recovery)	$0	$0
Other (describe)	$0	$0
Total sources (uses) of cash from Operations	($3,812,971)	$3,149,562
B. INVESTING ACTIVITIES		
Purchases of capital assets		
Land	$0	$0
Buildings	($12,632,816)	($17,013,848)
Equipment	($382,192)	($617,597)
Vehicles	($83,463)	($90,451)
Net proceeds from disposal of capital assets	$0	$0
Other (describe)	$0	$0
Total sources (uses) of cash from investing activities	($13,098,471)	($17,721,896)
C. FINANCING ACTIVITIES		
Capital allocations	$10,088,748	$934,648
Issue of long term debt	$0	$0
Repayment of long term debt	($2,176,186)	($2,176,186)
Add back: supported portion	$2,176,186	$2,176,186
Other (describe)	$0	$0
Total sources (uses) of cash from Financing activities	$10,088,748	$934,648
Net sources (uses) of cash during year	($6,822,694)	($13,637,686)
Cash and temporary investments, net of bank indebtedness, at Aug. 31/04	$14,070,891	$27,708,577
Cash and temporary investments, net of bank indebtedness, at Aug. 31/05	$7,248,197	$14,070,891

Note: 1 Input "(Restated)" in 2004 column heading where not taken from the finalized 2003-2004 Audited Financial Statements.
2 Cash and temporary investments are net of cash obligations.

STATEMENT OF CHANGES IN NET ASSETS
for the Year Ended August 31, 2005
(in dollars)

School Jurisdiction 3070

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
	TOTAL NET ASSETS Cols. 2+3+4	INVESTMENT IN CAPITAL ASSETS	UNRESTRICTED NET ASSETS	TOTAL INTERNALLY RESTRICTED NET ASSETS Cols. 5 to 14	INTERNALLY RESTRICTED NET ASSETS									
					School Based		Infrastructure		Board & System Admin.		Transportation		External Services	
					Operating Reserves	Capital Reserves	O& M Operating Reserves	Capital Reserves	Operating Reserves	Capital Reserves	Operating Reserves	Capital Reserves	Operating Reserves	Capital Reserves
Balance at August 31, 2004	$11,194,475	$5,285,598	$598,107	$5,310,770	$2,553,981	$0	$695,362	$49,450	$1,071,737	$12,150	$746,090	$182,000	$0	$0
Prior period adjustments (describe)														
removal of donation from UCA	$42,120	$0	$42,120	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
direct entries to reserve in 03/04	$31,300	$0	$31,300	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Adjusted Balance,Aug.31, 2004	$11,267,895	$5,285,598	$671,527	$5,310,770	$2,553,981	$0	$695,362	$49,450	$1,071,737	$12,150	$746,090	$182,000	$0	$0
Surplus(def) of revenue over expense	($1,243,544)		($1,243,544)											
Board funded capital transactions		$696,645	($656,412)	($40,233)	$0	$0	$0	($40,233)	$0	$0	$0	$0	$0	$0
Direct credits to net assets	$0	$0												
Amortization of capital assets		($3,238,913)	$3,238,913											
Amortization of capital allocations		$2,603,150	($2,603,150)											
Disposal of unsupported capital asset	$0	$0	$0	$0		$0		$0		$0		$0		$0
Disposal of supported capital assets (board funded portion)	$0	$0	$0	$0		$0		$0		$0		$0		$0
Debt principal payments (unsupported)		$0	$0											
Net transfers to operating reserves			($291,953)	$291,953	$227,183		$0		$64,770				$0	
Net transfers from operating reserves			$1,234,938	($1,234,938)	$0		($143,160)		($595,688)		($496,090)		$0	
Net transfers to capital reserves			($19,200)	$19,200		$0		$12,250		$6,950		$0		$0
Net transfers from capital reserves			$0	$0		$0		$0		$0		$0		$0
Balance at August 31, 2005	$10,024,351	$5,346,480	$331,118	$4,346,752	$2,781,164	$0	$552,202	$21,467	$540,819	$19,100	$250,000	$182,000	$0	$0

School Jurisdiction Code: 3070

STATEMENT OF CAPITAL ALLOCATIONS
(SUPPORTED CAPITAL FINANCING ONLY)
for the Year Ended August 31, 2005

(in dollars)

	Deferred Capital Allocations	Unamortized Capital Allocations
Balance at August 31, 20	$5,490,732	$40,032,310
Prior period adjustment	$0	($42,120)
Adjusted balance, August 31, 2004	$5,490,732	$39,990,190
Add:		
Capital allocations from: Infrastructure and Transportation-New/Modernization Projects	$10,017,006	
Other Government of Alberta	$0	
Federal Government and/or First Nations	$0	
Other sources	($2,500)	
Interest earned on provincial government capital allocations	$74,243	
Other capital grants and donations	$0	
Proceeds on disposal of supported capital assets	$0	
Insurance proceeds	$0	
Donated capital assets (amortizable, at Fair Market Value)		$0
Transferred in capital assets (amortizable, at Net Book Value)		$0
Current Year Debenture Principal Repayment		$2,176,186
Expended capital allocations - current year	($12,443,945)	$12,443,945
Less:		
Unamortized Capital Allocation affected by a disposal through transfer out		$0
Capital allocations amortized to revenue		$2,603,150
Balance at August 31, 2005	$3,135,535	$52,007,171

THE BOARD OF TRUSTEES OF THE RED DEER PUBLIC SCHOOL DISTRICT NO. 104

NOTES TO THE FINANCIAL STATEMENTS

August 31, 2005

1. AUTHORITY AND PURPOSE

The Board of Trustees of the Red Deer Public School District No. 104 ("the jurisdiction") delivers education programs under the authority of the School Act, Revised Statutes of Alberta 2000, Chapter S-3.

The jurisdiction receives instruction and support allocations under Regulation 77/2003. The regulation allows for the setting of conditions and use of grant monies. The jurisdiction is limited on certain funding allocations and administration expenses.

2. SIGNIFICANT ACCOUNTING POLICIES

These financial statements have been prepared in accordance with Canadian generally accepted accounting principles ("GAAP"). The precise determination of many assets and liabilities is dependent on future events. As a result, the preparation of financial statements for a period involves the use of estimates and approximations, which have been made using careful judgment. Actual results could differ from those estimates and approximations. The financial statements have, in management's opinion, been properly prepared within reasonable limits of materiality and within the framework of the accounting policies summarized below:

Revenue Recognition

Revenue is recognized as follows:

Instruction and support allocations are recognized in the year to which they are related.

Fees for services related to courses and programs are recognized as revenue when such courses and programs are delivered.

Capital allocations represent externally restricted supported capital funds and are recorded as deferred capital allocations until the amount is invested in capital assets. Amounts invested in capital assets are then transferred to unamortized capital allocations. Unamortized capital allocations are recognized as earned revenue in the periods in which the related amortization expense of the funded capital asset is recorded. The related portion of amortization expense and the deferred capital contribution revenues are matched to indicate that the related amortization expense has been funded.

Unrestricted contributions are recognized as revenue when received or receivable. Contributions in-kind are recorded at fair market value when reasonably determinable.

Externally restricted contributions are deferred and recognized as revenue in the period in which the restriction is complied with. Endowment funds to be retained as net assets are recorded as direct increases to trust assets and liabilities.

Cash and Cash Equivalents

The jurisdiction reports its cash and cash equivalents to include cash and temporary investments, net of any bank indebtedness.

Prepaid Expenses

Certain expenditures incurred and paid before the close of the school year are for specific school supplies, which will be consumed subsequent to the year-end and are accordingly recorded as prepaid expenses. Certain insurance expenses fall into this category.

THE BOARD OF TRUSTEES OF THE RED DEER PUBLIC SCHOOL DISTRICT NO. 104

NOTES TO THE FINANCIAL STATEMENTS

August 31, 2005

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

Inventories (Included in other current assets)

Inventories are valued at the lower of cost and net realizable value. Cost is defined as average cost.

School Generated Funds

Funds generated from school based activities are included as assets, liabilities, revenues and expenses of the jurisdiction. These are funds in the community, which come under the control and responsibility of the school principals and are for school activities. These funds are usually collected and retained at the school for expenditures paid at the school level. Sources and application of school generated funds are reported in Schedule E of the financial statements.

Capital Assets

Capital assets are recorded at cost and amortized over their estimated useful lives on a straight line basis at the following rates:

Buildings	2.5% to 10%
Equipment	10% and 20%
Vehicles	10% and 20%

Only costs in excess of $5,000 are capitalized. No amortization is taken in the year of acquisition.

Vacation Pay

Vacation pay is recorded in the period in which the employee earns the benefit.

Operating and Capital Reserves

Reserves are established at the discretion of the Board of Trustees of the jurisdiction to set aside funds for operating and for future capital expenditures. Such reserves are appropriations of accumulated surplus.

Contributed Services

Volunteers assist schools operated by the School District in carrying out certain activities. Because of the difficulty in determining fair value and the fact such assistance is not otherwise purchased, contributed services are not recognized in the financial statements.

Pensions

Pension costs included in these statements comprise the cost of the employer contributions for current service employees during the year.

The current service and past service costs of the Alberta Teacher Retirement Fund are met by contributions by active members and the Government of Alberta. Under the terms of the Teachers Pension Plan Act, the Red Deer Public School District No. 104 does not make pension contributions for certificated staff.

The school board participates in the multi-employer pension plan, Local Authorities Pension Plan. The expense for this pension plan is equivalent to the annual contributions of $784,411 (2004 - $643,528) for the year ended August 31, 2005.

At December 31, 2004, the Local Authorities Pension Plan reported an actuarial deficiency of $1,288,924,000 (2003 deficiency of $1,410,987,000).

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

Employee Future Benefits

The jurisdiction accrues its obligations under employee future benefit plans and expenses the related costs. There is no financial impact on the jurisdiction at this time.

Financial Instruments

The jurisdiction's financial instruments consist of cash and temporary investments, accounts receivable, accounts payable and accrued liabilities and long-term debt.

The fair value of these financial instruments approximates their carrying values.

It is management's opinion that the jurisdiction is not exposed to significant price, credit, liquidity or cash flow risks arising from these financial instruments except as follows:

The school jurisdiction is exposed to credit risk as it grants credit to its customers/parents in the normal course of business. To mitigate this risk the jurisdiction regularly reviews its accounts receivable list. Credit risk is the risk that the jurisdiction will incur a financial loss because a customer/parent has failed to discharge an obligation.

The school jurisdiction is exposed to interest rate price risk as the long-term debt bears interest at fixed rates. This risk is mitigated as the long-term debt is fully supported by Alberta Finance. Interest rate price risk is the risk that the value of the long-term debt will fluctuate due to changes in market interest rates.

3. ACCOUNTS RECEIVABLE

	2005	2004
Province of Alberta	$ **5,376,548**	$ 2,501,726
Federal Government	**334,276**	538,394
Other Alberta School Jurisdictions	-	62,608
Other	**246,745**	342,994
	$ **5,957,570**	$ 3,445,722

THE BOARD OF TRUSTEES OF THE RED DEER PUBLIC SCHOOL DISTRICT NO. 104

NOTES TO THE FINANCIAL STATEMENTS

August 31, 2005

4. TRUST ASSETS

	2005	2004
Deferred salary leave plan	$ 487,034	$ 393,787
Deferred salary retirement plan	26,525	32,830
	$ 513,559	$ 426,617

5. CAPITAL ASSETS

Included in buildings are costs of $30,496,887 (2004 - $18,532,243) pertaining to the construction of the Lindsay Thurber Composite High School Modernization Project which are not being amortized in accordance with the jurisdiction's accounting policy for capital assets. Amortization of the building will commence upon its completion.

6. BANK INDEBTEDNESS

The School District maintains a revolving credit facility with an authorized limit of $4,000,000 bearing interest at prime less 1/2% (prime is currently 4.75%). Collateral is provided by a general assignment of book debts. There was no balance outstanding on the revolving credit facility at August 31, 2005.

7. ACCOUNTS PAYABLE

	2005	2004
Province of Alberta	$ 1,094,348	$ 1,042,837
Federal Government	662	18,530
Alberta Municipalities	3,958	4,852
Other Alberta School Jurisdictions	1,026	-
Other trade payables and accrued liabilities	3,347,253	4,391,170
	$ 4,447,207	$ 5,457,389

8. DEFERRED REVENUE

	2005	2004
External programs	$ 724,904	$ 585,816
Other	685,415	529,474
	$ 1,410,319	$ 1,115,290

9. LONG-TERM DEBT

	2005	2004
Supported debentures with initial term of 20 years maturing 2006 to 2015, with interest rates varying between 7 1/2% and 12% repayable in annual installments of principal and interest. The debenture debt is fully supported by Alberta Finance.	**$ 14,061,096**	$ 16,237,282
Less amount due within one year	**2,126,089**	2,176,186
	$ 11,935,007	$ 14,061,096

The current portion of long-term debt consists entirely of amounts payable by Alberta Finance on supported debt; therefore, the working capital (current assets minus current liabilities) is understated by this amount.

Principal repayments estimated for the next five years are as follows:

2006	**$ 2,126,089**
2007	**1,942,774**
2008	**1,741,349**
2009	**1,652,231**
2010	**1,576,963**
Subsequent	**5,021,690**
	$ 14,061,096

10. RESERVES

Reserves represent funds appropriated from accumulated surplus for future capital expenditures and future operating expenses. The reserves are established and expended in accordance with terms and conditions established by the Board of Trustees.

11. STATEMENT OF CASH FLOWS

Included in cash flows from operations is $1,542,493 (2004 - $1,749,062) paid for interest and interest on capital debt.

12. CONTINGENCIES

Contingent asset – the jurisdiction is a member of Urban Schools Insurance Consortium. A portion of the premiums paid each year represents equity contributions to the insurance fund. These payments have been recorded as expenditures in the financial statements as the value of equity is subject to liability claims and is not an asset that the jurisdiction can liquidate.

The jurisdiction, in the conduct of its normal activities, is a defendant in a legal proceeding. While the ultimate outcome of the proceeding cannot be predicted at this time, it is believed that the resolution of the proceeding will not have a material effect on the financial position of the jurisdiction, however, should any loss result from the resolution of the proceeding, such amounts would be expensed as the related amounts become known to the jurisdiction.

13. COMMITMENTS

Deferred Capital Allocations

Included in deferred capital allocations at August 31, 2005 was $2,538,016 (2004 - $4,884,143) for the Lindsay Thurber Composite High School Modernization Project, $120,615 (2004 - $132,554) for Eastview Middle School upgrades and $476,905 (2004 - $474,035) for other capital projects in the district. The jurisdiction is committed to use these externally restricted funds on the capital projects designated when the funds were received.

Leases

The jurisdiction is committed to payments on photocopier leases expiring from October 2005 to November 2010. Estimated lease obligation payments for the next five years are as follows:

2006	$ **251,552**
2007	**243,334**
2008	**243,334**
2009	**243,334**
2010	**40,555**
	$ **1,022,109**

14. ECONOMIC DEPENDENCE

The Red Deer Public School District's primary source of income is from the Alberta Government. The District's ability to continue viable operations is dependent on this funding.

15. BUDGET

The Board of Trustees approved the 2004/2005 budget on May 25, 2005. It is presented for informative purposes only and has not been audited.

16. COMPARATIVE FIGURES

(a) Beginning Net Assets

Included in beginning net assets is $31,300 in revenues charged directly to net assets in 2004 as opposed to being reported as revenues. As a result, cash and temporary investments and other sales and service revenues reported at August 31, 2004 have been increased by $31,300.

(b) School Generated Assets and Liabilities

School generated assets and liabilities were reduced by $133,919 to remove the accumulated surplus from bookstore activities.

(c) Unamortized Capital Allocations

Included in unamortized capital allocations was $42,120 in donations received in previous years on the purchase of a capital asset. These donations should have been recognized as revenue in the year they were received. As a result, unamortized capital allocations reported at August 31, 2004 are being decreased by $42,120 and beginning net assets are increased by the same amount.

As a result of the above changes, the 2004 comparative figures have been restated as follows:

	Previously Reported	Change	Restated
Assets			
Cash and temporary investments	$14,039,591	$31,300	$14,070,891
School generated assets	1,407,508	(133,919)	1,273,589
Other assets	65,914,505		65,914,505
	$81,361,604	($102,619)	$81,258,985
Liabilities			
School generated liabilities	$1,407,508	($133,919)	$1,273,589
Unamortized capital allocations	40,032,310	(42,120)	39,990,190
Other liabilities	28,727,310		28,727,310
	$70,167,128	($176,039)	$69,991,089

16. COMPARATIVE FIGURES (continued)

Net Assets			
Beginning net assets	$9,453,793	$42,120	$9,495,913
Surplus of revenues over expenditures	1,740,683	31,300	1,771,983
Ending net assets	$11,194,476	$73,420	$11,267,896
	$81,361,604	($102,619)	$81,258,985

17. APPROVAL OF FINANCIAL STATEMENTS

The Board of Trustees approved these financial statements on December 14, 2005.

SCHEDULE A to the AFS

School Jurisdiction Cod 3070

ALLOCATION OF REVENUES AND EXPENSES TO PROGRAMS - 2004-2005

	REVENUES	TOTAL	ECS to Grade 12 Instruction	Operations and Maintenance of Schools & Maintenance Shops	Transportation	Board & System Admin.	External Services
(1)	**Alberta Education Revenues**	$59,635,493	$55,218,614	$0	$2,135,004	$2,115,507	$166,368
	Alberta Infrastructure and Transportation						
(2)	Infrastructure Maintenance Program & Portable Relocations support	$800,720	$0	$800,720			
(3)	Regular Operations & Maintenance support	$6,028,734		$6,028,734			
(4)	Other support	$52,572	$0	$52,572			
(5)	**Total Alberta Infrastructure and Transportation Revenues**	$6,882,026	$0	$6,882,026			
(6)	**Alberta Finance**	$1,404,886		$1,404,886			$0
(7)	**Other - Government of Alberta**	$897,271	$108,741	$0	$0	$0	$788,530
(8)	**Federal Government and/or First Nations**	$129,446	$129,446	$0	$0	$0	$0
(9)	**Other Alberta school authorities**	$138,118	$68,118	$0	$0	$0	$70,000
(10)	**Out of province authorities**	$0	$0	$0	$0	$0	$0
(11)	**Alberta municipalities** (excl. supplementary requisitions)	$79,959	$51,457	$0	$0	$0	$28,502
(12)	**Instruction resource fees**	$1,328,907	$1,328,907				
(13)	**Transportation fees**	$216,731			$216,731		
(14)	**Other sales and services**	$1,152,808	$991,656	$0	$0	$6,950	$154,202
(15)	**Investment income**	$199,485	$191,506	$0	$0	$7,979	$0
(16)	**Gifts and donations**	$79,237	$79,237	$0	$0		$0
(17)	**Rentals of facilities**	$64,554	$61,972	$0	$0	$2,582	$0
(18)	**Net school generated funds**	$175,208	$175,208			$0	
(19)	**Gains on disposal of capital assets**	$0	$0	$0	$0	$0	$0
(20)	**Amortization of capital allocations**	$2,603,150	$0	$2,603,150	$0		$0
(21)	**TOTAL REVENUES**	$74,987,279	$58,404,862	$10,890,062	$2,351,735	$2,133,018	$1,207,602
	EXPENSES						
(22)	**Certificated salaries**	$38,111,191	$37,667,790			$436,527	$6,874
(23)	**Certificated benefits**	$5,156,122	$5,029,270			$125,534	$1,318
(24)	**Uncertificated salaries and wages**	$11,909,268	$8,175,318	$2,480,287	$77,712	$714,028	$461,923
(25)	**Uncertificated benefits**	$1,951,989	$1,090,589	$552,727	$14,736	$205,337	$88,600
(26)	**SUB - TOTAL**	$57,128,570	$51,962,967	$3,033,014	$92,448	$1,481,426	$558,715
(27)	**Services, contracts & supplies**	$14,271,556	$6,917,427	$3,906,735	$1,848,336	$950,171	$648,887
(28)	**Cost recoveries & charges to programs**	$0	$0	$0	$0	$0	$0
(29)	**Net school generated funds**	$175,208	$175,208				
	Capital and debt services						
	Amortization of capital assets						
(30)	Supported	$2,603,150	$0	$2,603,150	$0	$0	$0
(31)	Unsupported	$635,763	$513,290	$85,437	$5,219	$31,817	$0
(32)	Total Amortization	$3,238,913	$513,290	$2,688,587	$5,219	$31,817	$0
	Interest on capital debt						
(33)	Supported	$1,404,886	$0	$1,404,886	$0	$0	$0
(34)	Unsupported	$0	$0	$0	$0	$0	$0
(35)	Other interest charges	$11,690	$8,658	$0	$0	$3,032	$0
(36)	Losses on disposal of capital assets	$0	$0	$0	$0	$0	$0
(37)	**TOTAL EXPENSES**	$76,230,823	$59,577,550	$11,033,222	$1,946,003	$2,466,446	$1,207,602
(38)	**SURPLUS (DEFICIT) BEFORE EXTRAORDINARY ITEM**	($1,243,544)	($1,172,688)	($143,160)	$405,732	($333,428)	$0

School Jurisdiction Code: 3070

SCHEDULE B to the AFS

ALBERTA EDUCATION REVENUES 2004-2005

	TOTAL
Base Funding	
Early Childhood Services (ECS)	$1,568,755
Base Instruction (Gr 1-12)	$43,377,100
Outreach Programs	$104,040
Home Education	$1,241
Differential Cost Funding *	$10,686,158
Other Provincial Support	
Institutional Programs	$466,709
Regional Consortium (6 boards) and Regional Educational Consulting Services (4 boards)	$166,368
Learning Resources Credit	$93,953
Federal French Funding	$0
Provincial Priority Targeted Funding	
Class Size Initiative	$1,519,086
Student Health Initiative (SHI)	$208,885
Alberta Initiative for School Improvement (AISI)	$1,149,782
High Speed Networking	$64,091
Children and Youth with Complex Needs	$0
Other Alberta Education Revenues (describe) Classroom Resources	$229,325
Total Alberta Education Revenues	$59,635,493

* Differential Cost Funding is based on distribution formulas designed to address variable cost factors and incremental costs associated with other variables and specific student populations. Included in differential cost funding are allocations for students with severe disabilities, English as a second language students, Francisation and support services for immigrant students, aboriginal students, gifted & talented early childhood services children and those with mild or moderate or severe disabilities, the percentage of the student population experiencing low socio-economic status, small schools by necessity, intra-jurisdiction distances, year to year enrolment fluctuations, small school board administration, schools located in the north, boarding, transportation, stabilization of funding, and cost differences among school jurisdictions for purchasing goods and services

School Jurisdiction Code: 3070

SCHEDULE C the AFS

ECS to Grade 12 INSTRUCTION PROGRAMS Expense Details - 2004-2005

SUB-PROGRAMS & INITIATIVES	ECS to GRADE 12 Instruction						
	Certificated Remuneration	Uncertificated Remuneration	Services, Contracts & Supplies [1]	Learning Resources	Cost Recoveries & Transfers	Other Expenses [2]	TOTAL EXPENSES
School Administration & All Instruction Support	$35,408,421	$3,664,109	$5,584,802		$0	$521,947	$45,179,279
Mild & Moderate Disabilities/Gifted & Talented (ECS-12)	$2,198,840	$864,975	$85,080		$0		$3,148,895
ECS Program Unit (PUF)	$62,840	$547,095	$241,920		$0		$851,855
Severe Disabilities (Gr 1-12)	$1,599,649	$3,721,404	$566,984		$0		$5,888,037
English as a Second Language	$89,582	$0	$0		$0		$89,582
French Language Program & Francisation (all jurisdictions)	$109,451	$0	$0		$0		$109,451
First Nations, Metis and Inuit Education (ECS - Gr 12)	$143,285	$125,626	$21,859		$0		$290,769
Home Education	$0	$0	$1,241		$0		$1,241
Institutional Programs	$416,125	$156,328	$43,788		$0		$616,241
Alberta Initiative for School Improvement	$1,149,782	$0	$0	$0	$0		$1,149,782
Student Health Initiative		$186,369	$22,516		$0		$208,885
High Speed Networking			$0		$0		$0
Class Size	$1,519,086	$0	$0	$0	$0		$1,519,086
Children and Youth with Complex Needs (ECS - Gr 12)	$0	$0	$0		$0		$0
All Other Student Instruction Expenses (ECS - Gr 12)	$0	$0	$0	$349,239	$0	$175,208	$524,447
TOTAL EXPENSES	$42,697,060	$9,265,906	$6,568,190	$349,239	$0	$697,155	$59,577,550

FULL-TIME-EQUIVALENCIES (Board/Contract)	FTE Certificated	FTE Uncertificated
Mild & Moderate Disabilities/Gifted & Talented (ECS - Gr 1	27.6	12.3
ECS Program Unit (PUF)	0.0	18.6
Severe Disabilities (Gr 1-12)	114.7	112.2

Note 1 Excludes Learning Resources

Note 2 Includes Net School Generated Funds, Amortization, Interest, and Losses on Disposal of Instruction Program Capital Assets

School Jurisdiction Code: 3070

SCHEDULE D to the AFS
CALCULATION OF MAXIMUM ELIGIBLE EXPENSE LIMIT FOR BOARD (GOVERNANCE) AND SYSTEM ADMINISTRATION - 2004-2005

TOTAL EXPENSES	**$76,230,823**

STEP 1

Calculation of maximum expense limit PERCENTAGE for Board and System Administration expenses

If "Total Net Enrolled Students" are 6,000 and over	= 4%	**4.00%**
If "Total Net Enrolled Students" are 2,000 and less	= 6%	

The Maximum Expense Limit for Board and System Administration is based on an arithmetical proration for the TOTAL FTE count for grades 1 -12, net of Home Education AND Adult students, between 2,000 to 6,000 at .0005 per FTE

EXAMPLE: 4,500 FTE count grades 1-12 = 6,000 - 4,500 = 1,500 X .0005 = .75% plus 4% = maximum expense limit of 4.75%

Note: Calculation unnecessary if Total FTE is 6,000 or more, and 2,000 & less

STEP 2

Calculate maximum expense limit AMOUNTS for Board and System Administration expenses

Maximum Expense Limit percentage (Step 1) x TOTAL EXPENSES		$3,049,233
Considerations for Charter Schools and Small School Boards:		
If **Charter School**, enter $56,100	$0	$0
If **School Board**, please enter your 04-05 Gr 1- 12 funded enrolment	8,883	
	$0	$0
MAXIMUM EXPENSE LIMIT		**$3,049,233**

STEP 3

Compare maximum expense limit amounts calculated in Step 2 to actual expenses (from Schedule A)

Actual Board Governance & System Administration expenses	$2,466,446
PLUS transfers to Restricted - Operating (Board/System Administration)	$64,770
LESS transfers from Restricted - Operating (Board/System Administration)	-$595,688
TOTAL BOARD GOVERNANCE & SYSTEM ADMINISTRATION EXPENSES	$1,935,528
MAXIMUM EXPENSE LIMIT	$3,049,233
ACTUAL EXPENSES - OVER(UNDER) MAXIMUM EXPENSE LIMIT	-$1,113,704

School Jurisdiction Code: 3070

SCHEDULE E to the AFS
SOURCE & APPLICATION OF SCHOOL GENERATED FUNDS (SGF) - 2004-2005

	Gross SGF	Related Expenses	Net SGF	
Unexpended SGF - Opening Balance August 31, 2004 (Note 1)			restated	$1,273,589
Source of Net School Generated Funds:				
Fundraising activities	$274,629	$192,907	$81,722	
Student fees (Non-Instructional) (Note 2)	$878,525		$878,525	
Donations and grants to schools	$84,327		$84,327	
Other (describe) cost assoc with fees, inchrm,athletics,etc	$1,032,106	$1,978,507	($946,401)	
Net Additions to SGF	$2,269,587	$2,171,414		$98,173
Net SGF Available for Discretionary Spending				$1,371,761
Application of Net School Generated Funds:				
Extra-curricular activities			$0	
School beautification			$0	
Field Trips			$0	
Equipment			$0	
Family literacy and other community resources			$0	
Other (describe) student incentives, Young Writers Conference, Dawe Run, awards, Artist in Residency			$175,208	
Net SGF Expended for Discretionary Purposes (Note 3)				$175,208
Unexpended SGF - Closing Balance August 31, 2005 (Note 4)				$1,196,554

School Generated Funds (SGF) are funds raised in the community for student activities that come under the control and responsibility of school management. These funds are usually collected and retained at the school for expenditures paid at the school level. SGF does not include fees with respect to instructional supplies or materials collected pursuant to Section 60(2)(j) of the *School Act*, and any other funds collected at the school but remitted to central office and accounted for by the jurisdiction (facility rentals, capital assets purchases, etc.)

Note 1 Input "(Restated)" beside Balance at August 31, 2004 where not taken from the finalized 2003-2004 Audited Financial Statements

Note 2 Excludes fees collected pursuant to Section 60(2)(j) of the School Act (fees with respect to instructional supplies or materials - essentially textbooks, resource materials in lieu of textbooks, media, software, and materials for classrooms). Amounts collected for CEU-related activities are recorded as instruction resource fees, not SGF

Note 3 Net SGF Expended for Discretionary Purposes is recorded as revenue and expense in the Statement of Revenues & Expenses

Note 4 Unexpended SGF is carried forward to the Statement of Financial Position

School Jurisdiction Code: 3070

SCHEDULE F to the AFS
Operations and Maintenance Program Expenses - 2004-2005

EXPENSES	Custodial	Maintenance	Utilities and Telecommunications	Expensed Mod./I.M.P. & Portable Relocations	Facility Planning & Operations Administration	SUB-TOTAL Operations & Maintenance	Supported Capital & Debt Services	TOTAL Operations and Maintenance
Uncertificated salaries and wages	$1,757,180	$538,923	$0	$0	$184,184	$2,480,287		$2,480,287
Uncertificated benefits	$391,584	$120,098	$0	$0	$41,045	$552,727		$552,727
Sub-total Remuneration	$2,148,764	$659,021	$0	$0	$225,229	$3,033,014		$3,033,014
Contracted Services	$0	$0	$0	$0	$0	$0		$0
Supplies	$211,174	$723,873	$61,792	$800,720	$24,689	$1,822,248		$1,822,248
Electricity			$1,107,210			$1,107,210		$1,107,210
Natural Gas/Heating Fuel			$799,076			$799,076		$799,076
Sewer and Water			$91,681			$91,681		$91,681
Telecommunications			$9,336			$9,336		$9,336
Insurance					$77,184	$77,184		$77,184
Amortization of capital assets								
Supported							$2,603,150	$2,603,150
Unsupported						$85,437		$85,437
Total Amortization						$85,437	$2,603,150	$2,688,587
Interest on capital debt								
Supported							$1,404,886	$1,404,886
Unsupported				$0		$0		$0
Other interest charges						$0		$0
Losses on disposal of capital assets						$0		$0
Cost recoveries & transfers						$0		$0
TOTAL EXPENSES	$2,359,938	$1,382,894	$2,069,095	$800,720	$327,102	$7,025,186	$4,008,036	$11,033,222
SQUARE METRES								
School Buildings								105,876.5
Non School Buildings								3,252.0
UNCERTIFICATED FTE'S (Board/Contract)	49.0	12.0						

Notes:

Custodial:	All expenses related to activities undertaken to keep the school environment clean and safe
Maintenance:	All expenses associated with the repair, replacement and minor construction of buildings, grounds and equipment components This includes regular and preventative maintenance undertaken to ensure components reach or exceed their life cycle and the repair of broken components
Utilities & Telecommunications:	All expenses related to electricity, natural gas and other heating fuels, sewer and water and all forms of telecommunications
Expensed Block Mod/I.M.P. & Portable Relocations:	All expenses associated with non-capital activites related to Block Modemization, Infrastructure Maintenance Programs (AKA Building Quality Restoration Program) and portable relocations
Facility Planning & Operations Administration:	All expenses related to the administration of operations and maintenance including (but not limited to) contract administration, clerical functions, negotiations, supervision of employees and contractors, administration of capital projects (including new schools, I.M.P., block modernization and portable relocations), administration of joint-use agreements, and all expenses related to ensuring compliance with health and safety statndards, codes and government regulations
Supported Capital & Debt Services:	All expenses related to supported capital assets amortization and interest on supported capital debt

School Jurisdiction Code: 3070

SCHEDULE G to the AFS

DISCLOSURE OF SALARIES AND BENEFITS - 2004-2005

(SECTION 148.1 OF THE SCHOOL ACT)

		FTEs	Remuneration	Benefits	Allowances	Performance Bonuses	ERIP's / Other	Total	Expenses
Chairperson:									
Name	C. Jefferies	1.0	$2,385	$736	$0			$3,121	$206
Name	Dr. W.K. Stuebing	1.0	$17,469	$3,743	$0			$21,212	$4,381
Other Board Members:									
Name	G. Holland	1.0	$13,018	$1,275	$0			$14,293	$3,067
Name	L. Lee	1.0	$11,444	$2,927	$0			$14,371	$4,489
Name	B. Manning	1.0	$13,383	$4,235	$0			$17,618	$2,753
Name	J. Walters	1.0	$11,983	$4,155	$0			$16,138	$4,226
Name	D. Lemke	1.0	$11,088	$3,408	$0			$14,496	$5,471
Name	D. Macaulay	1.0	$11,231	$3,409	$0			$14,640	$4,653
Name	D. Kubanek	1.0	$1,547	$694	$0			$2,241	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Subtotal		*9.0*	*$93,548*	*$24,582*	*$0*			*$118,130*	*$29,246*
Superintendent	D. Falk	1.0	$130,629	$15,315	$0	$0	$0	$145,944	$0
Superintendent		0.0	$0	$0	$0	$0	$0	$0	$0
Secretary/Treasurer	D. Beck	1.0	$110,224	$22,166	$0	$0	$0	$132,390	$0
Secretary/Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Board Secretary		0.0	$0	$0	$0	$0	$0	$0	$0
Board Secretary		0.0	$0	$0	$0	$0	$0	$0	$0
Board Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Board Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Certificated Salaries		697.0	$37,980,562	$5,139,701	$0	$0	$0	$43,120,263	
Uncertificated Salaries & Wages		503.0	$11,705,495	$1,906,396	$0	$0	$0	$13,611,891	
TOTALS			**$50,020,458**	**$7,108,160**	**$0**	**$0**	**$0**	**$57,128,618**	

Note: Please refer to completion information on page 15.

School Jurisdiction Code 1190

AUDITED
FINANCIAL STATEMENTS
and Supporting Schedules
FOR THE YEAR ENDED AUGUST 31, 2005
[School Act, Sections 147(2)(a), 148, 151(1) and 276]

ROCKY VIEW SCHOOL DIVISION NO. 41
Legal Name of School Jurisdiction

2616 18TH STREET N.E., CALGARY, AB. T2E 7R1
Mailing Address

403-250-1504 403-219-6250
Telephone and Fax Numbers

SCHOOL JURISDICTION MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The financial statements and supporting schedules ROCKY VIEW SCHOOL DIVISION NO. 41 (Name of School Jurisdiction) presented to Alberta Learning have been prepared by school jurisdiction management which has responsibility for their preparation, integrity and objectivity. The financial statements and schedules, including notes, have been prepared in accordance with generally accepted accounting principles and Ministerial requirements for Alberta school jurisdictions.

In fulfilling its reporting responsibilities, management has maintained internal control systems and procedures designed to provide reasonable assurance that the school jurisdiction's assets are safeguarded, that transactions are executed in accordance with appropriate authorization and that accounting records may be relied upon to properly reflect the school jurisdiction's transactions. The effectiveness of the control systems is supported by the selection and training of qualified personnel, an organizational structure that provides an appropriate division of responsibility and a strong budgetary system of control.

Board of Trustees Responsibility
The ultimate responsibility for the financial statements lies with the Board of Trustees. The Board reviewed the financial statements with management in detail and the Board approved the financial statements for release.

External Auditors
The Board appoints external auditors to audit the financial statements and meets with the auditors to review their findings. The external auditors have full and free access to school jurisdiction records.

Declaration of Management and Board Chairman
To the best of our knowledge and belief, these financial statements and supporting schedules reflect, in all material respects, the financial position and results of operations and cash flows for the year in accordance with generally accepted accounting principles and Ministerial requirements for Alberta school jurisdictions.

BOARD CHAIRMAN

Trudy Hauser — "ORIGINAL SIGNED"
Name — **Signature**

SUPERINTENDENT

Lyall Thomson — "ORIGINAL SIGNED"
Name — **Signature**

SECRETARY TREASURER OR TREASURER

Darrell Couture — "ORIGINAL SIGNED"
Name — **Signature**

24-Nov-05
Board-approved Release Date

c.c. **ALBERTA EDUCATION, School Reporting Branch,**
8th Floor Commerce Place, 10155-102 Street, Edmonton AB T5J 4L5
EMAIL: Cindy.Jarry@gov.ab.ca
PHONE: (780) 427-7782 FAX: (780) 422-6996

Deloitte

Deloitte & Touche LLP
3000 Scotia Centre
700 Second Street S.W.
Calgary AB T2P 0S7
Canada

Tel: (403) 267-1700
Fax: (403) 264-2871
www.deloitte.ca

Auditors' Report

To the Board of Trustees of
Rocky View School Division No. 41:

We have audited the statement of financial position of **Rocky View School Division No. 41** (the "Jurisdiction") as at August 31, 2005 and the statements of revenues and expenses, cash flows, changes in net assets and capital allocations for the year then ended. These financial statements are the responsibility of the Jurisdiction's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the Jurisdiction as at August 31, 2005 and the results of its operations, cash flows, changes in net assets and capital allocations for the year then ended in accordance with Canadian generally accepted accounting principles.

Our audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplementary information included in Schedules A through G is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such supplementary information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

Deloitte & Touche LLP

Calgary, Alberta
November 4, 2005

Chartered Accountants

Member of
Deloitte Touche Tohmatsu

School Jurisdiction Code: 1190

STATEMENT OF FINANCIAL POSITION

as at August 31, 2005

(in dollars)

			2005	2004
ASSETS				
Current assets				
Cash and temporary investments			$19,914,189	$18,451,075
Accounts receivable (net after allowances)			$3,449,722	$4,463,626
Prepaid expenses			$241,687	$112,651
Other current assets			$86,334	$93,635
Total current assets			$23,691,932	$23,120,987
School generated assets			$2,535,384	$2,330,486
Trust assets			$1,299,971	$380,391
Long term accounts receivable			$9,527	$11,420
Long term investments			$0	$0
Capital assets				
Land			$1,155,972	$1,130,972
Buildings		$174,015,418		
Less accumulated amortization		($58,472,359)	$115,543,059	$115,755,140
Equipment		$13,042,315		
Less accumulated amortization		($10,532,596)	$2,509,719	$3,441,803
Vehicles		$719,068		
Less accumulated amortization		($508,450)	$210,618	$75,323
Total capital assets			$119,419,368	$120,403,238
TOTAL ASSETS			$146,956,182	$146,246,522
LIABILITIES				
Current liabilities				
Bank indebtedness			$390,523	$347,813
Accounts payable and accrued liabilities			$8,084,140	$8,171,024
Deferred revenue			$1,692,176	$1,319,777
Deferred capital allocations			$584,779	$775,428
Current portion of all long term debt			$3,006,038	$3,084,223
Total current liabilities			$13,757,656	$13,698,265
School generated liabilities			$2,535,384	$2,330,486
Trust liabilities			$1,299,971	$380,391
Employee future benefits liability			$0	$0
Long term payables and accrued liabilities			$0	$0
Long term debt				
Supported	Debentures and other supported debt		$17,570,321	$20,671,452
	Less Current portion of supported debt		($2,857,742)	($3,082,331)
Unsupported	Debentures and Capital Loans		$4,657,282	$13,242
	Capital Leases		$0	$0
	Mortgages		$0	$0
	Less Current portion of unsupported debt		($148,296)	($1,892)
Unamortized capital allocations			$92,697,394	$95,049,808
Total long term liabilities			$115,754,314	$115,361,156
TOTAL LIABILITIES			$129,511,971	$129,059,421
NET ASSETS				
Unrestricted net assets			($70,575)	$114,363
Operating Reserves			$5,849,838	$8,029,623
Accumulated Operating Surplus (Deficit)			$5,779,263	$8,143,986
Investment in capital assets			$9,140,293	$4,668,730
Capital Reserves			$2,524,655	$4,374,385
Total Capital Funds			$11,664,948	$9,043,115
Total net assets			$17,444,211	$17,187,101
TOTAL LIABILITIES AND NET ASSETS			$146,956,182	$146,246,522

Note: Input "(Restated)" in 2004 column heading where comparatives are not taken from the finalized 2003-2004 Audited Financial Statements

School Jurisdiction Code: 1190

STATEMENT OF REVENUES AND EXPENSES

for the Year Ended August 31, 2005

(in dollars)

	Actual 2005	Budget 2005	Actual 2004
REVENUES			
Government of Alberta	$105,632,562	$106,984,988	$101,437,626
Federal Government and/or First Nations	$613,519	$628,601	$619,164
Other Alberta school authorities	$523,757	$200,000	$298,432
Out of province authorities	$0	$0	$0
Alberta Municipalities (excluding supplementary requisitions)	$61,052	$0	$374,207
Instruction resource fees	$1,783,262	$1,920,000	$1,732,257
Transportation fees	$757,017	$800,000	$750,161
Other sales and services	$1,201,929	$856,600	$932,192
Investment income	$521,464	$200,000	$461,793
Gifts and donations	$0	$0	$0
Rentals of facilities	$403,926	$494,200	$411,790
Net school generated funds	$2,754,080	$1,000,000	$973,948
Gains on disposal of capital assets	$906,543	$0	$0
Amortization of capital allocations	$7,814,999	$6,000,000	$5,611,672
Total Revenues	$122,974,110	$119,084,389	$113,603,242
EXPENSES			
Certificated salaries	$58,262,324	$54,214,232	$52,887,182
Certificated benefits	$6,545,482	$5,373,447	$6,160,395
Uncertificated salaries and wages	$16,751,263	$17,045,679	$15,481,002
Uncertificated benefits	$3,551,902	$4,315,700	$3,300,309
Services, contracts and supplies	$24,461,508	$28,524,989	$24,421,219
Net school generated funds	$2,754,080	$1,000,000	$973,948
Capital and debt services			
Amortization of capital assets			
Supported	$7,814,999	$6,000,000	$5,611,672
Unsupported	$381,620	$600,000	$574,463
Total Amortization of capital assets	$8,196,619	$6,600,000	$6,186,135
Interest on capital debt			
Supported	$2,072,388	$1,760,000	$2,401,843
Unsupported	$116,097	$373,342	$1,476
Total Interest on capital debt	$2,188,485	$2,133,342	$2,403,319
Other interest charges	$5,337	$10,000	$6,976
Losses on disposal of capital assets	$0	$0	$0
Total Expenses	$122,717,000	$119,217,389	$111,820,485
SURPLUS (DEFICIT) OF REVENUES OVER EXPENSES BEFORE EXTRAORDINARY ITEM	$257,110	($133,000)	$1,782,757
Extraordinary Item	$0	$0	$0
SURPLUS (DEFICIT) OF REVENUES OVER EXPENSES	$257,110	($133,000)	$1,782,757

Note: Input "(Restated)" in Budget 2005 and/or Actuals 2004 column headings where comparatives are not taken from the respective finalized 2004-2005 Budget Report and/or finalized 2003-2004 Audited Financial Statements.

School Jurisdiction Code 1190

STATEMENT OF CASH FLOWS

for the Year Ended August 31, 2005

(in dollars)

	2005	2004
CASH FLOWS FROM:		
A. OPERATIONS		
Surplus (deficit) of revenues over expenses for the year	$257,110	$1,782,757
Add (Deduct) items not requiring cash		
Amortization of capital allocations revenue	($7,814,999)	($5,611,672)
Total amortization expense	$8,196,619	$6,186,135
Gains on disposal of capital assets	($906,543)	
Losses on sale of capital assets	$0	$0
Changes in accrued accounts		
Accounts receivable	$1,013,904	($2,171,636)
Prepaids and other current assets	($121,735)	($37,261)
Long term accounts receivable	$1,893	$1,893
Long term investments	$0	$0
Payables and accrued liabilities	($86,884)	$617,862
Deferred revenue	$372,399	($963,264)
Employee future benefit expense (recovery)	$0	$0
Other (describe)	$4	$2
Total sources (uses) of cash from Operations	$911,768	($195,184)
B. INVESTING ACTIVITIES		
Purchases of capital assets		
Land	($25,000)	$0
Buildings	($6,968,590)	($1,190,488)
Equipment	($413,343)	($782,353)
Vehicles	($175,183)	$0
Net proceeds from disposal of capital assets	$906,543	
Other (describe)		$0
Total sources (uses) of cash from Investing activities	($6,675,573)	($1,972,841)
C. FINANCING ACTIVITIES		
Capital allocations	$2,538,281	$4,498,669
Issue of long term de[illegible]	$4,716,500	$0
Repayment of long term debt	($3,173,591)	($3,281,900)
Add back supported portion	$3,103,025	$3,281,900
Other (describe)	($7)	
Total sources (uses) of cash from Financing activities	$7,184,209	$4,498,669
Net sources (uses) of cash during year	$1,420,404	$2,330,644
Cash and temporary investments, net of bank indebtedness, at Aug. 31/04	$18,103,262	$15,772,618
Cash and temporary investments, net of bank indebtedness, at Aug. 31/05	$19,523,666	$18,103,262

Note: 1 Input "(Restated)" in 2004 column heading where not taken from the finalized 2003-2004 Audited Financial Statements

2 Cash and temporary investments are net of cash obligations

STATEMENT OF CHANGES IN NET ASSETS
for the Year Ended August 31, 2005

(in dollars)

School Jurisdiction 1190

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
	TOTAL NET ASSETS Cols 2+3+4	INVESTMENT IN CAPITAL ASSETS	UNRESTRICTED NET ASSETS	TOTAL INTERNALLY RESTRICTED NET ASSETS Cols 5 to 14	INTERNALLY RESTRICTED NET ASSETS									
					School Based		Infrastructure		Board & System Admin.		Transportation		External Services	
					Operating Reserves	Capital Reserves	O& M Operating Reserves	Capital Reserves	Operating Reserves	Capital Reserves	Operating Reserves	Capital Reserves	Operating Reserves	Capital Reserves
Balance at August 31, 2004	$17,187,094	$4,668,723	$114,363	$12,404,008	$6,673,047	$776,386	$816,691	$576,999	$48,085	$3,021,000	$491,800	$0	$0	$0
Prior period adjustments (describe)														
balance	$7	$7	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Adjusted Balance,Aug.31, 2004	$17,187,101	$4,668,730	$114,363	$12,404,008	$6,673,047	$776,386	$816,691	$576,999	$48,085	$3,021,000	$491,800	$0	$0	$0
Surplus(def) of revenue over expense	$257,110		$257,110											
Board funded capital transactions		$4,782,608	$0	($4,782,608)	($272,983)	($251,638)	($63,411)	($175,183)	$0	($4,019,393)	$0	$0	$0	$0
Direct credits to net assets	$0	$0												
Amortization of capital assets		($8,196,619)	$8,196,619											
Amortization of capital allocations		$7,814,999	($7,814,999)											
Disposal of unsupported capital assets	$0	$0	$0	$0		$0		$0		$0		$0		$0
Disposal of supported capital assets (board funded portion)	$0	$0	($893,893)	$893,893		$0		$893,893		$0		$0		$0
Debt principal payments (unsupported)		$70,575	($70,575)											
Net transfers to operating reserves			($858,932)	$858,932	$248,934		$589,247		$20,751		$0		$0	
Net transfers from operating reserves			$2,702,323	($2,702,323)	($1,919,316)		($666,478)		($9,000)		($107,529)		$0	
Net transfers to capital reserves			($1,910,218)	$1,910,218		$5,000		$66,478		$1,838,740		$0		$0
Net transfers from capital reserves			$207,627	($207,627)		($207,627)						$0		$0
Balance at August 31, 2005	$17,444,211	$9,140,293	($70,575)	$8,374,493	$4,729,682	$322,121	$676,049	$1,362,187	$59,836	$840,347	$384,271	$0	$0	$0

School Jurisdiction Code: 1190

STATEMENT OF CAPITAL ALLOCATIONS
(SUPPORTED CAPITAL FINANCING ONLY)
for the Year Ended August 31, 2005

(in dollars)

	Deferred Capital Allocations	Unamortized Capital Allocations
Balance at August 31, 20	$775,428	$95,049,808
Prior period adjustment	$0	$0
Adjusted balance, August 31, 2004	$775,428	$95,049,808
Add:		
Capital allocations from: Infrastructure and Transportation-New/Modernization Projects	$2,450,000	
Other Government of Alberta	$0	
Federal Government and/or First Nations	$0	
Other sources	$0	
Interest earned on provincial government capital allocations	$83,281	
Other capital grants and donations	$0	
Proceeds on disposal of supported capital assets	$5,000	
Insurance proceeds	$0	
Donated capital assets (amortizable, at Fair Market Value)		$0
Transferred in capital assets (amortizable, at Net Book Value)		$0
Current Year Debenture Principal Repayment		$3,103,025
Expended capital allocations - current year	($2,728,930)	$2,728,930
Less:		
Unamortized Capital Allocation affected by a disposal through transfer out		$369,370
Capital allocations amortized to revenue		$7,814,999
Balance at August 31, 2005	$584,779	$92,697,394

NOTES TO THE FINANCIAL STATEMENTS

1. AUTHORITY AND PURPOSE

The School Jurisdiction delivers education programs under the authority of the *School Act*, Revised Statutes of Alberta 2000, Chapter S-3.

The jurisdiction receives instruction and support allocations under Regulation 77/2003. The regulation allows for the setting of conditions and use of grant monies. The School Jurisdiction is limited on certain funding allocations and administration expenses.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

These financial statements have been prepared in accordance with Canadian generally accepted accounting principles (GAAP). The precise determination of many assets and liabilities is dependent on future events. As a result, the preparation of financial statements for a period involves the use of estimates and approximations, which have been made using careful judgment. Actual results could differ from those estimates and approximations. The financial statements have, in management's opinion, been properly prepared within reasonable limits of materiality and within the framework of the accounting policies summarized below:

a) Revenue Recognition

Revenue is recognized as follows:

Instruction and support allocations are recognized in the year to which they relate.

Fees for services related to courses and programs are recognized as revenue when such courses and programs are delivered.

Unrestricted contributions are recognized as revenue when received or receivable. Contributions in-kind are recorded at fair market value when reasonably determinable.

Externally restricted contributions are deferred and recognized as revenue in the period in which the restriction is complied with. Endowment contributions are recognized as direct increases in net assets in the period in which they are received or receivable.

b) Capital Assets

Capital Assets are recorded at cost, and are amortized over their estimated useful lives on a straight-line basis, at the following rates:

Buildings	2.5% to 4%
Vehicles	10% to 20%
Equipment & Furnishings	10% to 20%

Capital assets with costs in excess of $5,000 are capitalized. Capital allocations received for asset additions are amortized into revenue over the same period as the amortization expense.

c) School Generated Funds

These are funds which come under the control and responsibility of a school principal for school activities They are usually collected, retained, and expended at the school level (e.g. yearbook sales, graduation fees, field trip fees, etc.)

d) Vacation Pay

Vacation Pay is accrued in the period in which the employee earns the benefit.

e) Pensions

Pension costs included in these statements comprise the cost of employer contributions for current service of employees during the year.

The current and past service costs of the Alberta Teacher Retirement Fund are met by contributions by active members and the Government of Alberta. Under the terms of the Teachers Pension Plan Act, the Rocky View School Division does not make pension contributions for certificated staff.

The school board participates in a multi-employer pension plan, the Local Authorities Pension Plan, and does not report on any unfunded liabilities. The expense for this pension plan is equivalent to the annual contributions of $ 1,827,717 for the Year ended August 31, 2005. At December 31, 2004, the Local Authorities Pension Plan reported an actuarial deficiency of $1,288,924,000 (2003 deficiency of $1,453,487,000).

f) Inventories

Inventories are recorded at the lower of cost or net realizable value.

g) Prepaid Expenses

Certain expenditures incurred before the close of the school year are for school supplies which will be consumed subsequent to the year-end, and are accordingly recorded as prepaid expenses. Certain insurance expenses also fall into this category.

h) Contributed Services

Volunteers contribute a considerable number of hours per year to schools to ensure that certain programs are delivered, such as kindergarten, lunch services and the raising of school generated funds. Because of the difficulty of compiling these hours and the fact that these services are not otherwise purchased, contributed services are not recognized in the financial statements.

i) Financial Instruments

These consist of cash, accounts receivable, accounts payable, accrued liabilities, and long-term debt. It is management's opinion that the jurisdiction is not exposed to significant interest, currency or credit risks arising from these financial instruments. Unless otherwise noted, the fair values of these financial instruments approximate their carrying values. The jurisdiction has invested surplus funds in accordance with Section 60 of the *School Act* and Section 5 of the Trustees Act.

j) Operating and Capital Reserves

Reserves are established at the discretion of the Board of Trustees of the jurisdiction, to set aside funds for operating and capital purposes. Such reserves are appropriations of unrestricted net assets.

k) Employee Future Benefits

The jurisdiction accrues its obligations under employee future benefit plans and expenses the related costs. There is no financial impact on the jurisdiction at this time.

l) Investments

Short term Investments are valued at the lower of cost or market. Long term investments are valued at cost or, where there has been other than a temporary impairment in the value of the investment, at market value.

3. ACCOUNTS RECEIVABLE

	2005	2004
Alberta Education	$104,835	$760,797
Alberta Infrastructure and Transportation	$2,246,879	$2,733,855
Alberta Finance	0	0
Other Province of Alberta	$15,800	$15,800
Federal Government	$299,844	$196,902
First Nations		0
Alberta Municipalities		0
Other Alberta School Jurisdictions	$523,757	$298,432
Other	$268,134	$457,840
Total	$3,459,249	$4,463,626

4. BANK INDEBTEDNESS

The jurisdiction has negotiated a line of credit in the amount of $2,291,990 that bears interest at the bank prime rate les .25%. This line of credit is secured by a borrowing bylaw and a security agreement, covering all revenue of the jurisdiction. There was no balance outstanding on the line of credit at August 31, 2005.

5. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	2005	2004
Alberta Education	$456,053	$137,285
Alberta Infrastructure and Transportation		
Alberta Finance		
Other Province of Alberta		
Federal Government		
First Nations		
Alberta Municipalities		
Other Alberta School Jurisdictions		
Other Trade Payables and Accrued Liabilities	$7,628,087	$8,033,739
Total	$8,084,140	$8,171,024

6. DEFERRED REVENUE

	2005	2004
Infrastructure Maintenance Program (formerly BQRP)	$333,651	
Infrastructure Plant Operations & Maintenance grant		
Alberta Initiative for School Improvement	$91,947	$153,237
1998-1999 One Time Grant for financial health	$228,101	$313,907
2002-2003 One time transportation grant		
2002-2003 Additional One-Time O&M allocation		
Other	$1,038,477	$852,633
Total	$1,692,176	$1,319,777

7. TRUST ASSETS AND LIABILITIES

These balances represent cash that is held in trust by the jurisdiction.

	2005	2004
Deferred Salary Leave Plan	$322,158	$299,695
Scholarship Trusts	$139,986	$80,696
Student Health Initiative Trust (SHI Banker Board)		
Children and Youth with Complex Needs (Banker Board)	$837,826	
Total	$1,299,971	$380,391

8. LONG TERM DEBT

a) Debenture Debt – Supported

The debenture debt bears interest at rates varying between 6% and 12%. The debenture debt is fully supported by Alberta Finance. Debenture payments due over the next five years and beyond are as follows:

	Principal	Interest	Total
2005-2006	$2,857,742	$1,758,659	$4,616,401
2006-2007	$2,797,742	$1,468,180	$4,265,922
2007-2008	$2,630,890	$1,183,587	$3,814,477
2008-2009	$2,351,132	$916,292	$3,267,424
2009-2010	$2,144,690	$681,744	$2,826,434
2010 to maturity	$4,788,125	$1,012,050	$5,800,175
Total	$17,570,321	$7,020,512	$24,590,833

b) Debenture Debt – Unsupported

The debenture debt bears interest at rates varying between 4.923% and 10.125%. Debenture payments due over the next five years and beyond are as follows:

	Principal	Interest	Total
2005-2006	$148,296	$228,280	$376,576
2006-2007	$155,592	$220,792	$376,384
2007-2008	$163,252	$212,941	$376,193
2008-2009	$171,293	$204,708	$376,001
2009-2010	$179,735	$196,074	$375,809
2010 to maturity	$3,839,114	$1,576,827	$5,415,941
Total	$4,657,282	$2,639,622	$7,296,904

9. DEFERRED CAPITAL ALLOCATIONS

Deferred capital allocations represent externally-restricted supported capital funds provided for a specific capital purpose received or receivable by the jurisdiction, but the related expenditure had not been made at year-end. When expended, these deferred capital allocations are transferred to unamortized capital allocations.

10. UNAMORTIZED CAPITAL ALLOCATIONS

Unamortized capital allocations represent externally-restricted supported capital funds that have been expended, but have yet to be amortized over the useful life of the related capital asset. The unamortized capital allocations account balance is increased by transfers of deferred capital allocations expended, as well as fully-supported debenture principal repayments.

11. COMMITMENTS

a) Building Projects

The jurisdiction is committed to further capital expenditures for the construction at Edwards School of approximately $8,394,082. It is anticipated that these costs will be fully funded by the capital allocations from Alberta Infrastructure and Transportation. The jurisdiction is committed to further capital expenditures for the construction of the new Education Support Centre in Airdrie of approximately $6,834,251. This will be funded by debenture, reserves and sale of land.

b) Office Lease

The jurisdiction is committed to lease office space to June 30, 2006. The monthly rental is $31,473.

12. ECONOMIC DEPENDENCE ON RELATED THIRD PARTY

The Rocky View School Division's primary source of income is from the Alberta Government. The Division's ability to continue viable operations is dependent on this funding.

13. BUDGET AMOUNTS

The budget was prepared by the school jurisdiction and approved by the Board of Trustees. It is presented for information purposes only.

14. COMPARATIVE FIGURES

The comparative figures have been reclassified where necessary to conform to the 2005 presentation.

SCHEDULE A to the AFS

School Jurisdiction Cod 1190

ALLOCATION OF REVENUES AND EXPENSES TO PROGRAMS - 2004-2005

	REVENUES	TOTAL	ECS to Grade 12 Instruction	Operations and Maintenance of Schools & Maintenance Shops	Transportation	Board & System Admin.	External Services
(1)	**Alberta Education Revenues**	$93,767,651	$85,310,544	$0	$8,148,605	$17,409	$291,093
	Alberta Infrastructure and Transportation						
(2)	Infrastructure Maintenance Program & Portable Relocations support	$969,144	$0	$969,144			
(3)	Regular Operations & Maintenance support	$8,807,064		$8,807,064			
(4)	Other support	$0	$0	$0			
(5)	**Total Alberta Infrastructure and Transportation Revenues**	$9,776,208	$0	$9,776,208			
(6)	**Alberta Finance**	$2,072,388		$2,072,388			$0
(7)	**Other - Government of Alberta**	$16,315	$4,939	$11,376	$0	$0	$0
(8)	**Federal Government and/or First Nations**	$613,519	$474,869	$115,883	$0	$22,767	$0
(9)	**Other Alberta school authorities**	$523,757	$0	$0	$523,757	$0	$0
(10)	**Out of province authorities**	$0	$0	$0	$0	$0	$0
(11)	**Alberta municipalities** (excl. supplementary requisitions)	$61,052	$43,796	$17,256	$0	$0	$0
(12)	**Instruction resource fees**	$1,783,262	$1,783,262				
(13)	**Transportation fees**	$757,017			$757,017		
(14)	**Other sales and services**	$1,201,929	$229,615	$45,106	$0	$19,946	$907,262
(15)	**Investment income**	$521,464	$353,467	$30,820	$35,166	$102,011	$0
(16)	**Gifts and donations**	$0	$0	$0	$0		$0
(17)	**Rentals of facilities**	$403,926	$100,986	$296,894	$0	$6,046	$0
(18)	**Net school generated funds**	$2,754,080	$2,754,080			$0	
(19)	**Gains on disposal of capital assets**	$906,543		$906,543	$0	$0	$0
(20)	**Amortization of capital allocations**	$7,814,999	$0	$7,814,999	$0		$0
(21)	**TOTAL REVENUES**	$122,974,110	$91,055,558	$21,087,473	$9,464,545	$168,179	$1,198,355
	EXPENSES						
(22)	**Certificated salaries**	$58,262,324	$57,716,054			$546,270	$0
(23)	**Certificated benefits**	$6,545,482	$6,353,510			$191,972	$0
(24)	**Uncertificated salaries and wages**	$16,751,263	$10,974,290	$3,688,883	$242,859	$1,649,892	$195,339
(25)	**Uncertificated benefits**	$3,551,902	$2,404,827	$675,044	$50,775	$391,704	$29,552
(26)	**SUB - TOTAL**	$85,110,971	$77,448,681	$4,363,927	$293,634	$2,779,838	$224,891
(27)	**Services, contracts & supplies**	$24,461,508	$7,858,583	$5,038,530	$9,228,403	$1,362,528	$973,464
(28)	**Cost recoveries & charges to programs**	$0	$415,038	$314,109	$49,604	($778,751)	$0
(29)	**Net school generated funds**	$2,754,080	$2,754,080				
	Capital and debt services						
	Amortization of capital assets						
(30)	Supported	$7,814,999		$7,814,999	$0	$0	$0
(31)	Unsupported	$381,620	$248,934	$111,935	$0	$20,751	$0
(32)	Total Amortization	$8,196,619	$248,934	$7,926,934	$0	$20,751	$0
	Interest on capital debt						
(33)	Supported	$2,072,388	$0	$2,072,388	$0	$0	$0
(34)	Unsupported	$116,097	$0	$0	$0	$116,097	$0
(35)	Other interest charges	$5,337	$4,337	$380	$433	$187	$0
(36)	Losses on disposal of capital assets	$0	$0	$0	$0	$0	$0
(37)	**TOTAL EXPENSES**	$122,717,000	$88,729,653	$19,716,268	$9,572,074	$3,500,650	$1,198,355
(38)	**SURPLUS (DEFICIT) BEFORE EXTRAORDINARY ITEM**	$257,110	$2,325,905	$1,371,205	($107,529)	($3,332,471)	$0

School Jurisdiction Code: 1190

SCHEDULE B to the AFS

ALBERTA EDUCATION REVENUES 2004-2005

	TOTAL
Base Funding	
Early Childhood Services (ECS)	$2,172,991
Base Instruction (Gr 1-12)	$70,521,081
Outreach Programs	$104,040
Home Education	$31,025
Differential Cost Funding *	$14,792,903
Other Provincial Support	
Institutional Programs	$0
Regional Consortium (6 boards) and Regional Educational Consulting Services (4 boards)	$166,838
Learning Resources Credit	$103,313
Federal French Funding	$137,669
Provincial Priority Targeted Funding	
Class Size Initiative	$2,945,908
Student Health Initiative (SHI)	$511,513
Alberta Initiative for School Improvement (AISI)	$1,709,686
High Speed Networking	$30,210
Children and Youth with Complex Needs	$65,157
Other Alberta Education Revenues (describe) ONE TIME GRANTS,PRIOR YEARS	$475,317
Total Alberta Education Revenues	$93,767,651

* Differential Cost Funding is based on distribution formulas designed to address variable cost factors and incremental costs associated with other variables and specific student populations. Included in differential cost funding are allocations for students with severe disabilities, English as a second language students, Francisation and support services for immigrant students, aboriginal students, gifted & talented early childhood services children and those with mild or moderate or severe disabilities, the percentage of the student population experiencing low socio-economic status, small schools by necessity, intra-jurisdiction distances, year to year enrolment fluctuations, small school board administration, schools located in the north, boarding, transportation, stabilization of funding, and cost differences among school jurisdictions for purchasing goods and services.

School Jurisdiction Code: 1190

SCHEDULE C the AFS

ECS to Grade 12 INSTRUCTION PROGRAMS Expense Details - 2004-2005

SUB-PROGRAMS & INITIATIVES	ECS to GRADE 12 Instruction						
	Certificated Remuneration	Uncertificated Remuneration	Services, Contracts & Supplies [1]	Learning Resources	Cost Recoveries & Transfers	Other Expenses [2]	TOTAL EXPENSES
School Administration & All Instruction Support	$5,144,314	$3,538,573	$178,205		$0	$0	$8,861,092
Mild & Moderate Disabilities/Gifted & Talented (ECS-12)	$3,837,967	$2,175,879	$149,635		$0		$6,163,481
ECS Program Unit (PUF)	$133,304	$558,380	$274,285		$0		$965,969
Severe Disabilities (Gr 1-12)	$1,290,264	$1,760,375	$209,622		$0		$3,260,261
English as a Second Language	$118,742	$82,062	$9,545		$0		$210,349
French Language Program & Francisation (all jurisdictions)	$0	$0	$0		$0		$0
First Nations, Metis and Inuit Education (ECS - Gr 12)	$116,950	$81,642	$7,504		$0		$206,096
Home Education	$32,886	$19,220	$32,788		$0		$84,894
Institutional Programs	$0	$0	$0		$0		$0
Alberta Initiative for School Improvement	$1,295,007	$0	$524,214	$0	$0		$1,819,221
Student Health Initiative	$108,426	$167,459	$35,199		$0		$311,084
High Speed Networking			$38,656		$0		$38,656
Class Size	$3,034,150	$272,700	$0	$0	$0		$3,306,850
Children and Youth with Complex Needs (ECS - Gr 12)	$0	$0	$0		$0		$0
All Other Student Instruction Expenses (ECS - Gr 12)	$48,957,554	$4,722,827	$6,398,930	$0	$415,038	$3,007,351	$63,501,700
TOTAL EXPENSES	$64,069,564	$13,379,117	$7,858,583	$0	$415,038	$3,007,351	$88,729,653

FULL-TIME-EQUIVALENCIES (Board/Contract)	FTE Certificated	FTE Uncertificated
Mild & Moderate Disabilities/Gifted & Talented (ECS - Gr 12	47.8	77.7
ECS Program Unit (PUF)	2.0	46.0
Severe Disabilities (Gr 1-12)	17.4	50.5

Note 1 Excludes Learning Resources

Note 2 Includes Net School Generated Funds, Amortization, Interest, and Losses on Disposal of Instruction Program Capital Assets

School Jurisdiction Code: 1190

SCHEDULE D to the AFS
CALCULATION OF MAXIMUM ELIGIBLE EXPENSE LIMIT FOR BOARD (GOVERNANCE) AND SYSTEM ADMINISTRATION - 2004-2005

TOTAL EXPENSES	$122,717,000

STEP 1

Calculation of maximum expense limit PERCENTAGE for Board and System Administration expenses

If "Total Net Enrolled Students" are 6,000 and over	= 4%	4.00%
If "Total Net Enrolled Students" are 2,000 and less	= 6%	

The Maximum Expense Limit for Board and System Administration is based on an arithmetical proration for the TOTAL FTE count for grades 1 -12, net of Home Education AND Adult students, between 2,000 to 6,000 at .0005 per FTE

EXAMPLE: 4,500 FTE count grades 1-12 = 6,000 - 4,500 = 1,500 X .0005 = .75% plus 4% = maximum expense limit of 4.75%

Note: Calculation unnecessary if Total FTE is 6,000 or more, and 2,000 & less

STEP 2

Calculate maximum expense limit AMOUNTS for Board and System Administration expenses

Maximum Expense Limit percentage (Step 1) x TOTAL EXPENSES		$4,908,680
Considerations for Charter Schools and Small School Boards:		
If **Charter School**, enter $56,100	$0	$0
If **School Board**, please enter your 04-05 Gr 1- 12 funded enrolment	0	
	$0	$0
MAXIMUM EXPENSE LIMIT		$4,908,680

STEP 3

Compare maximum expense limit amounts calculated in Step 2 to actual expenses (from Schedule A)

Actual Board Governance & System Administration expenses	$3,500,650
PLUS: transfers to Restricted - Operating (Board/System Administration)	$20,751
LESS: transfers from Restricted - Operating (Board/System Administration)	-$9,000
TOTAL BOARD GOVERNANCE & SYSTEM ADMINISTRATION EXPENSES	$3,512,401
MAXIMUM EXPENSE LIMIT	$4,908,680
ACTUAL EXPENSES - OVER(UNDER) MAXIMUM EXPENSE LIMIT	-$1,396,279

School Jurisdiction Code: 1190

SCHEDULE E to the AFS
SOURCE & APPLICATION OF SCHOOL GENERATED FUNDS (SGF) - 2004-2005

	Gross SGF	Related Expenses	Net SGF	
Unexpended SGF - Opening Balance August 31, 2004 (Note 1)				$2,330,486
Source of Net School Generated Funds:	**Gross SGF**	**Related Expenses**	**Net SGF**	
Fundraising activities	$1,735,994	$1,344,937	$391,057	
Student fees (Non-Instructional) (Note 2)	$2,320,075		$2,320,075	
Donations and grants to schools	$201,713		$201,713	
Other (describe) interest	$48,214	$2,081	$46,133	
Net Additions to SGF	$4,305,996	$1,347,018		$2,958,978
Net SGF Available for Discretionary Spending				$5,289,464
Application of Net School Generated Funds:				
Extra-curricular activities			$2,223,562	
School beautification			$14,287	
Field Trips			$350,594	
Equipment			$96,993	
Family literacy and other community resources			$0	
Other (describe)			$68,644	
Net SGF Expended for Discretionary Purposes (Note 3)				$2,754,080
Unexpended SGF - Closing Balance August 31, 2005 (Note 4)				$2,535,384

School Generated Funds (SGF) are funds raised in the community for student activities that come under the control and responsibility of school management. These funds are usually collected and retained at the school for expenditures paid at the school level. SGF does not include fees with respect to instructional supplies or materials collected pursuant to Section 60(2)(j) of the *School Act*, and any other funds collected at the school but remitted to central office and accounted for by the jurisdiction (facility rentals, capital assets purchases, etc.)

Note 1 Input "(Restated)" beside Balance at August 31, 2004 where not taken from the finalized 2003-2004 Audited Financial Statements

Note 2 Excludes fees collected pursuant to Section 60(2)(j) of the School Act (fees with respect to instructional supplies or materials - essentially textbooks, resource materials in lieu of textbooks, media, software, and materials for classrooms). Amounts collected for CEU-related activities are recorded as instruction resource fees, not SGF.

Note 3 Net SGF Expended for Discretionary Purposes is recorded as revenue and expense in the Statement of Revenues & Expenses.

Note 4 Unexpended SGF is carried forward to the Statement of Financial Position.

School Jurisdiction Code: 1190

SCHEDULE F to the AFS
Operations and Maintenance Program Expenses - 2004-2005

EXPENSES	Custodial	Maintenance	Utilities and Telecommunications	Expensed Mod./I.M.P. & Portable Relocations	Facility Planning & Operations Administration	SUB-TOTAL Operations & Maintenance	Supported Capital & Debt Services	TOTAL Operations and Maintenance
Uncertificated salaries and wages	$2,752,634	$936,249	$0	$0	$0	$3,688,883		$3,688,883
Uncertificated benefits	$418,586	$256,458	$0	$0	$0	$675,044		$675,044
Sub-total Remuneration	$3,171,220	$1,192,707	$0	$0	$0	$4,363,927		$4,363,927
Contracted Services	$95,958	$343,736	$0	$1,007,435	$0	$1,447,129		$1,447,129
Supplies	$355,852	$753,237	$0	$0	$0	$1,109,089		$1,109,089
Electricity			$1,288,003			$1,288,003		$1,288,003
Natural Gas/Heating Fuel			$584,377			$584,377		$584,377
Sewer and Water			$404,277			$404,277		$404,277
Telecommunications			$0			$0		$0
Insurance					$205,655	$205,655		$205,655
Amortization of capital assets								
Supported							$7,814,999	$7,814,999
Unsupported						$111,935		$111,935
Total Amortization						$111,935	$7,814,999	$7,926,934
Interest on capital debt								
Supported							$2,072,388	$2,072,388
Unsupported				$0		$0		$0
Other interest charges						$380		$380
Losses on disposal of capital assets						$0		$0
Cost recoveries & transfers						$314,109		$314,109
TOTAL EXPENSES	$3,623,030	$2,289,680	$2,276,657	$1,007,435	$205,655	$9,828,881	$9,887,387	$19,716,268
SQUARE METRES								
School Buildings								165,121.0
Non School Buildings								2,151.0
UNCERTIFICATED FTE'S (Board/Contract)	91.3	18.0						

Notes:

Custodial:	All expenses related to activities undertaken to keep the school environment clean and safe
Maintenance:	All expenses associated with the repair, replacement and minor construction of buildings, grounds and equipment components. This includes regular and preventative maintenance undertaken to ensure components reach or exceed their life cycle and the repair of broken components
Utilities & Telecommunications:	All expenses related to electricity, natural gas and other heating fuels, sewer and water and all forms of telecommunications
Expensed Block Mod/I.M.P. & Portable Relocations:	All expenses associated with non-capital activites related to Block Modernization, Infrastructure Maintenance Programs (AKA Building Quality Restoration Program) and portable relocations
Facility Planning & Operations Administration:	All expenses related to the administration of operations and maintenance including (but not limited to) contract administration, clerical functions, negotiations, supervision of employees and contractors, administration of capital projects (including new schools, I.M.P., block modernization and portable relocations), administration of joint-use agreements, and all expenses related to ensuring compliance with health and safety statndards, codes and government regulations
Supported Capital & Debt Services:	All expenses related to supported capital assets amortization and interest on supported capital debt

School Jurisdiction Code: 1190

SCHEDULE G to the AFS
DISCLOSURE OF SALARIES AND BENEFITS - 2004-2005
(SECTION 148.1 OF THE SCHOOL ACT)

		FTEs	Remuneration	Benefits	Allowances	Performance Bonuses	ERIP's / Other	Total	Expenses
Chairperson:									
Name	Wenona Metzger	1.0	$15,493	$4,626	$10,316			$30,435	$5,531
Name	Maureen Munro	1.0	$13,631	$2,719	$10,316			$26,666	$2,381
Other Board Members:									
Name	John Murray	1.0	$15,221	$3,410	$10,316			$28,947	$1,129
Name	Terry Patey	1.0	$15,217	$1,183	$10,316			$26,716	$1,613
Name	Trudy Hauser	0.9	$11,470	$4,007	$8,676			$24,153	$3,214
Name	Beverley LaPeare	0.9	$11,100	$3,020	$8,676			$22,796	$2,748
Name	Don Thomas	0.9	$10,545	$3,699	$8,676			$22,920	$3,255
Name	Laome Kosack	0.1	$2,658	$483	$1,719			$4,860	$11
Name	Cindy Berry	0.1	$2,208	$776	$1,719			$4,703	$0
Name	Kim Salkeld	0.1	$1,865	$759	$1,719			$4,343	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Subtotal		*7.0*	*$99,408*	*$24,682*	*$72,449*			*$196,539*	*$19,882*
Superintendent	Lyall Thomson	1.0	$168,323	$155,189	$7,800	$0	$0	$331,312	$11,956
Superintendent		0.0	$0	$0	$0	$0	$0	$0	$0
Secretary/Treasurer	Darrell Couture	1.0	$114,260	$76,910	$4,200	$0	$0	$195,370	$4,949
Secretary/Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Board Secretary		0.0	$0	$0	$0	$0	$0	$0	$0
Board Secretary		0.0	$0	$0	$0	$0	$0	$0	$0
Board Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Board Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Certificated Salaries		829.0	$58,086,201	$6,390,293	$0	$0	$0	$64,476,494	
Uncertificated Salaries & Wages		570.0	$16,460,946	$3,450,310	$0	$0	$0	$19,911,256	
TOTALS			**$74,929,138**	**$10,097,384**	**$84,449**	**$0**	**$0**	**$85,110,971**	

Note: Please refer to completion information on page 15

School Jurisdiction Code 7020

AUDITED
FINANCIAL STATEMENTS
and Supporting Schedules
FOR THE YEAR ENDED AUGUST 31, 2005
[School Act, Sections 147(2)(a), 148, 151(1) and 276]

St. Albert Protestant Separate School District No. 6
Legal Name of School Jurisdiction

60 Sir Winston Churchill Avenue, St Albert, AB T8N 0G4
Mailing Address

Phone: 780-460-3712 Fax: 780-460-7686
Telephone and Fax Numbers

SCHOOL JURISDICTION MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The financial statements and supporting schedules St. Albert Protestant Separate School District No. 6 (Name of School Jurisdiction) presented to Alberta Learning have been prepared by school jurisdiction management which has responsibility for their preparation, integrity and objectivity. The financial statements and schedules, including notes, have been prepared in accordance with generally accepted accounting principles and Ministerial requirements for Alberta school jurisdictions.

In fulfilling its reporting responsibilities, management has maintained internal control systems and procedures designed to provide reasonable assurance that the school jurisdiction's assets are safeguarded, that transactions are executed in accordance with appropriate authorization and that accounting records may be relied upon to properly reflect the school jurisdiction's transactions. The effectiveness of the control systems is supported by the selection and training of qualified personnel, an organizational structure that provides an appropriate division of responsibility and a strong budgetary system of control.

Board of Trustees Responsibility
The ultimate responsibility for the financial statements lies with the Board of Trustees. The Board reviewed the financial statements with management in detail and the Board approved the financial statements for release.

External Auditors
The Board appoints external auditors to audit the financial statements and meets with the auditors to review their findings. The external auditors have full and free access to school jurisdiction records.

Declaration of Management and Board Chairman
To the best of our knowledge and belief, these financial statements and supporting schedules reflect, in all material respects, the financial position and results of operations and cash flows for the year in accordance with generally accepted accounting principles and Ministerial requirements for Alberta school jurisdictions.

BOARD CHAIRMAN

Name	Signature
Dr. Morag Pansegrau	"ORIGINAL SIGNED"

SUPERINTENDENT

Name	Signature
Barry Wowk	"ORIGINAL SIGNED"

SECRETARY TREASURER OR TREASURER

Name	Signature
Michael R. Brenneis, BComm, CA	"ORIGINAL SIGNED"

9-Nov-05
Board-approved Release Date

c.c. **ALBERTA EDUCATION, School Reporting Branch,**
8th Floor Commerce Place, 10155-102 Street, Edmonton AB T5J 4L5
EMAIL: Cindy.Jarry@gov.ab.ca
PHONE: (780) 427-7782 FAX: (780) 422-6996

PRICEWATERHOUSECOOPERS

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Chartered Accountants
Suite 1501, TD Tower
10088 – 102 Avenue
Edmonton, Alberta
Canada T5J 3N5
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Facsimile +1 (780) 441 6776

October 28, 2005

Auditors' Report

To the Board of Trustees of
St. Albert Protestant Separate School District No. 6

We have audited the statement of financial position of **St. Albert Protestant Separate School District No. 6** as at August 31, 2005 and the statements of revenues and expenses, cash flows, changes in net assets and capital allocations for the year then ended. These financial statements are the responsibility of the District's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the District as at August 31, 2005 and the results of its operations, cash flows, changes in net assets and capital allocations for the year then ended in accordance with Canadian generally accepted accounting principles.

Our audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplementary information included in schedules A through G is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such supplementary information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

The budgeted information in the statement of revenue and expenses has not been subjected to audit procedures and, accordingly, we do not express an opinion on this information.

PricewaterhouseCoopers LLP

Chartered Accountants

PricewaterhouseCoopers refers to the Canadian firm of PricewaterhouseCoopers LLP and the other member firms of PricewaterhouseCoopers International Limited, each of which is a separate and independent legal entity.

School Jurisdiction Code: 7020

STATEMENT OF FINANCIAL POSITION

as at August 31, 2005

(in dollars)

		2005	2004
ASSETS			
Current assets			
Cash and temporary investments		$6,827,765	$4,130,228
Accounts receivable (net after allowances)		$3,739,869	$3,861,567
Prepaid expenses		$170,047	$157,415
Other current assets		$0	$0
Total current assets		$10,737,681	$8,149,210
School generated assets		$406,323	$673,869
Trust assets		$159,942	$105,726
Long term accounts receivable		$0	$0
Long term investments		$0	$0
Capital assets			
Land		$1,601,571	$1,601,571
Buildings	$59,412,786		
Less accumulated amortization	($32,215,629)	$27,197,157	$26,508,159
Equipment	$2,024,144		
Less accumulated amortization	($1,195,414)	$828,730	$1,065,770
Vehicles	$410,634		
Less accumulated amortization	($255,688)	$154,946	$28,489
Total capital assets		$29,782,404	$29,203,989
TOTAL ASSETS		$41,086,350	$38,132,794
LIABILITIES			
Current liabilities			
Bank indebtedness		$0	$0
Accounts payable and accrued liabilities		$4,683,322	$2,866,063
Deferred revenue		$1,092,972	$1,162,693
Deferred capital allocations		$167,140	$31,873
Current portion of all long term debt		$1,216,004	$1,250,763
Total current liabilities		$7,159,438	$5,311,392
School generated liabilities		$406,323	$673,869
Trust liabilities		$159,942	$105,726
Employee future benefits liability		$0	$0
Long term payables and accrued liabilities		$0	$0
Long term debt			
Supported: Debentures and other supported debt		$9,175,740	$10,295,402
Less: Current portion of supported debt		($1,084,904)	($1,119,663)
Unsupported: Debentures and Capital Loans		$196,700	$327,800
Capital Leases		$0	$0
Mortgages		$0	$0
Less: Current portion of unsupported debt		($131,100)	($131,100)
Unamortized capital allocations		$16,556,536	$14,594,784
Total long term liabilities		$25,279,237	$24,746,818
TOTAL LIABILITIES		$32,438,675	$30,058,210
NET ASSETS			
Unrestricted net assets		$688,002	$326,433
Operating Reserves		$3,820,131	$3,546,033
Accumulated Operating Surplus (Deficit)		$4,508,133	$3,872,466
Investment in capital assets		$3,853,428	$3,986,004
Capital Reserves		$286,114	$216,114
Total Capital Funds		$4,139,542	$4,202,118
Total net assets		$8,647,675	$8,074,584
TOTAL LIABILITIES AND NET ASSETS		$41,086,350	$38,132,794

Note: Input "(Restated)" in 2004 column heading where comparatives are not taken from the finalized 2003-2004 Audited Financial Statements.

School Jurisdiction Code: 7020

STATEMENT OF REVENUES AND EXPENSES

for the Year Ended August 31, 2005

(in dollars)

	Actual 2005	Budget 2005	Actual 2004
REVENUES			
Government of Alberta	$45,506,100	$42,729,937	$42,526,424
Federal Government and/or First Nations	$89,202	$0	$88,307
Other Alberta school authorities	$116,674	$17,800	$137,488
Out of province authorities	$0	$0	$0
Alberta Municipalities (excluding supplementary requisitions)	$0	$0	$0
Instruction resource fees	$628,107	$521,500	$631,345
Transportation fees	$308,140	$278,250	$293,907
Other sales and services	$940,381	$525,800	$738,465
Investment income	$156,276	$100,000	$147,955
Gifts and donations	$26,674	$8,000	$8,039
Rentals of facilities	$41,465	$20,000	$40,576
Net school generated funds	$65,493	$200,000	$42,182
Gains on disposal of capital assets	$0	$0	$0
Amortization of capital allocations	$1,583,871	$1,583,036	$1,585,139
Total Revenues	$49,462,383	$45,984,323	$46,239,827
EXPENSES			
Certificated salaries	$26,496,343	$25,378,525	$24,892,601
Certificated benefits	$2,848,434	$2,845,250	$2,779,441
Uncertificated salaries and wages	$6,924,775	$6,693,526	$6,169,899
Uncertificated benefits	$1,559,922	$1,455,421	$1,351,895
Services, contracts and supplies	$7,897,861	$7,740,275	$7,367,429
Net school generated funds	$65,493	$200,000	$42,182
Capital and debt services			
Amortization of capital assets			
Supported	$1,583,871	$1,583,036	$1,585,139
Unsupported	$514,961	$501,277	$490,124
Total Amortization of capital assets	$2,098,832	$2,084,313	$2,075,263
Interest on capital debt			
Supported	$977,354	$1,097,726	$1,100,212
Unsupported	$20,278	$22,725	$29,610
Total Interest on capital debt	$997,632	$1,120,451	$1,129,822
Other interest charges	$0	$0	$0
Losses on disposal of capital assets	$0	$0	$0
Total Expenses	$48,889,292	$47,517,761	$45,808,532
SURPLUS (DEFICIT) OF REVENUES OVER EXPENSES BEFORE EXTRAORDINARY ITEM	$573,091	($1,533,438)	$431,295
Extraordinary Item	$0	$0	$0
SURPLUS (DEFICIT) OF REVENUES OVER EXPENSES	$573,091	($1,533,438)	$431,295

Note: Input "(Restated)" in Budget 2005 and/or Actuals 2004 column headings where comparatives are not taken from the respective finalized 2004-2005 Budget Report and/or finalized 2003-2004 Audited Financial Statements.

School Jurisdiction Code: 7020

STATEMENT OF CASH FLOWS

for the Year Ended August 31, 2005

(in dollars)

	2005	2004
CASH FLOWS FROM:		
A. OPERATIONS		
Surplus (deficit) of revenues over expenses for the year	$573,091	$431,295
Add (Deduct) items not requiring cash:		
Amortization of capital allocations revenue	($1,583,871)	($1,585,139)
Total amortization expense	$2,098,832	$2,075,263
Gains on disposal of capital assets	$0	$0
Losses on sale of capital assets	$0	$0
Changes in accrued accounts:		
Accounts receivable	$121,698	($420,460)
Prepaids and other current assets	($12,632)	($9,765)
Long term accounts receivable	$0	$0
Long term investments	$0	$0
Payables and accrued liabilities	$1,817,259	($117,881)
Deferred revenue	($69,721)	$50,876
Employee future benefit expense (recovery)	$0	$0
Other (describe)	$0	$0
Total sources (uses) of cash from Operations	$2,944,656	$424,189
B. INVESTING ACTIVITIES		
Purchases of capital assets		
Land	$0	$0
Buildings	($2,425,960)	($199,738)
Equipment	($113,039)	($361,831)
Vehicles	($138,248)	$0
Net proceeds from disposal of capital assets	$0	$0
Other (describe)	$0	$0
Total sources (uses) of cash from Investing activities	($2,677,247)	($561,569)
C. FINANCING ACTIVITIES		
Capital allocations	$2,561,227	$181,856
Issue of long term debt	$0	$0
Repayment of long term debt	($1,250,762)	($1,338,350)
Add back: supported portion	$1,119,663	$1,207,250
Other (describe)	$0	$0
Total sources (uses) of cash from Financing activities	$2,430,128	$50,756
Net sources (uses) of cash during year	$2,697,537	($86,624)
Cash and temporary investments, net of bank indebtedness, at Aug. 31/04	$4,130,228	$4,216,852
Cash and temporary investments, net of bank indebtedness, at Aug. 31/05	$6,827,765	$4,130,228

Note: 1 Input "(Restated)" in 2004 column heading where not taken from the finalized 2003-2004 Audited Financial Statements.

2 Cash and temporary investments are net of cash obligations.

School Jurisdiction 7020

STATEMENT OF CHANGES IN NET ASSETS
for the Year Ended August 31, 2005

(in dollars)

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
	TOTAL NET ASSETS Cols. 2+3+4	INVESTMENT IN CAPITAL ASSETS	UNRESTRICTED NET ASSETS	TOTAL INTERNALLY RESTRICTED NET ASSETS Cols. 5 to 14	INTERNALLY RESTRICTED NET ASSETS									
					School Based		Infrastructure		Board & System Admin.		Transportation		External Services	
					Operating Reserves	Capital Reserves	O& M Operating Reserves	Capital Reserves	Operating Reserves	Capital Reserves	Operating Reserves	Capital Reserves	Operating Reserves	Capital Reserves
Balance at August 31, 2004	$8,074,584	$3,986,004	$326,433	$3,762,147	$2,762,289	$102,993	$219,528	$31,000	$527,648	$82,121	$36,568	$0	$0	$0
Prior period adjustments (describe)														
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Adjusted Balance,Aug.31, 2004	$8,074,584	$3,986,004	$326,433	$3,762,147	$2,762,289	$102,993	$219,528	$31,000	$527,648	$82,121	$36,568	$0	$0	$0
Surplus(def) of revenue over expense	$573,091		$573,091											
Board funded capital transactions		$251,285	($251,285)	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Direct credits to net assets	$0	$0												
Amortization of capital assets		($2,098,832)	$2,098,832											
Amortization of capital allocations		$1,583,871	($1,583,871)											
Disposal of unsupported capital assets	$0	$0	$0	$0		$0		$0		$0		$0		$0
Disposal of supported capital assets (board funded portion)	$0	$0	$0	$0		$0		$0		$0		$0		$0
Debt principal payments (unsupported)		$131,100	($131,100)											
Net transfers to operating reserves			($2,710,636)	$2,710,636	$2,547,592		$42,469		$120,575		$0		$0	
Net transfers from operating reserves			$2,436,538	($2,436,538)	($2,254,700)		($114,456)		($39,910)		($27,472)		$0	
Net transfers to capital reserves			($70,000)	$70,000		$70,000		$0		$0		$0		$0
Net transfers from capital reserves			$0	$0		$0		$0		$0		$0		$0
Balance at August 31, 2005	$8,647,675	$3,853,428	$688,002	$4,106,245	$3,055,181	$172,993	$147,541	$31,000	$608,313	$82,121	$9,096	$0	$0	$0

School Jurisdiction Code: 7020

STATEMENT OF CAPITAL ALLOCATIONS
(SUPPORTED CAPITAL FINANCING ONLY)
for the Year Ended August 31, 2005

(in dollars)

	Deferred Capital Allocations	Unamortized Capital Allocations
Balance at August 31, 20	$31,873	$14,594,784
Prior period adjustment	$0	$0
Adjusted balance, August 31, 2004	$31,873	$14,594,784
Add:		
Capital allocations from: Infrastructure and Transportation-New/Modernization Projects	$2,561,227	
Other Government of Alberta	$0	
Federal Government and/or First Nations	$0	
Other sources	$0	
Interest earned on provincial government capital allocations	$0	
Other capital grants and donations	$0	
Proceeds on disposal of supported capital assets	$0	
Insurance proceeds	$0	
Donated capital assets (amortizable, at Fair Market Value)		$0
Transferred in capital assets (amortizable, at Net Book Value)		$0
Current Year Debenture Principal Repayment		$1,119,663
Expended capital allocations - current year	($2,425,960)	$2,425,960
Less:		
Unamortized Capital Allocation affected by a disposal through transfer out		$0
Capital allocations amortized to revenue		$1,583,871
Balance at August 31, 2005	$167,140	$16,556,536

1 Authority and purpose

The District delivers primary and secondary education programs under the authority of the School Act, Revised Statutes of Alberta 2000, Chapter S-3.

The District receives block allocations for instruction and support under regulation 72/95. The regulation limits the funding and expenditures for administration. It permits the District, within specified limits, to reallocate funding between the instruction and support blocks.

2 Summary of significant accounting policies

The financial statements are prepared in accordance with Canadian generally accepted accounting principles and accounting policies consistent with those prescribed by Alberta Learning for Alberta school jurisdictions. The precise determination of many assets and liabilities is dependent on future events. As a result, the preparation of financial statements for a period involves the use of estimates and approximations, which have been made using careful judgment. Actual results could differ from those estimates and approximations. The financial statements have in management's opinion been prepared within reasonable limits of materiality and within the framework of the significant accounting policies summarized below:

a) Revenue recognition

Instruction and support allocations are recognized in the year to which they relate.

Fees for services related to courses and programs are recognized as revenue when such courses and programs are delivered.

Capital allocations from the province or other agencies are recorded as deferred capital allocations until spent. Once spent, they are transferred to unamortized capital allocations, which are amortized to revenue on the same basis as the property and equipment asset acquired by the grant.

Unrestricted donations are recognized as revenue when received or receivable. Donations in-kind are recorded at fair market value when reasonably determinable.

Externally restricted contributions are deferred and recognized as revenue in the period in which the restriction is complied with.

b) Property and equipment

Property and equipment are recorded at cost and amortized over their estimated useful lives on a straight-line basis at the following rates:

Buildings	2.5% to 10%
Equipment	10% and 20%
Vehicles	10% and 20%

Property and equipment are amortized in the year following acquisition.

Only property and equipment with costs in excess of $5,000 are capitalized. Any capital allocations received for asset additions are amortized over the same period as the related asset.

c) Amortization

Amortization expense is reflected as a period expense on the statement of revenues and expenses and results in a reduction to unrestricted net assets. However, an amount equal to the amortization of supported assets is recorded as revenue. Amortization expense results in a transfer from investment in capital assets to unrestricted net assets on the statement of changes in net assets. The transfer from investment in capital assets to unrestricted net assets offsets the effect of the amortization expense of the period resulting in no change to the accumulated surplus.

d) School generated funds

School generated funds are funds raised in the community for activities that come under the control and responsibility of school management. School generated funds are included in the financial statements of the District because the accountability and control of these funds rests with the school officials or their appointee(s).

e) Vacation pay

Vacation pay is recorded in the period in which it is earned.

f) Pension obligation

Pension costs included in these statements comprise the cost of employer contributions for current service of employees during the year.

The current service and past service costs of the Alberta Teacher Retirement Fund are met by contributions by active members and the Government of Alberta. Under the terms of the Teachers Pension Plan Act, St. Albert Protestant Separate School District No. 6 does not make pension contributions for certificated staff.

The District participates in the multi-employer pension plan, Local Authorities Pension Plan. The District's expense for this plan is equivalent to the annual contributions of $329,954 for the year ended August 31, 2005 (2004 – $285,009). At December 31, 2004, the Local Authorities Pension Plan reported an actuarial deficiency of $1,288,924,000 (2003 – $1,453,487,000 deficiency).

g) Contributed services

Volunteers assist schools operated by the school district in carrying out certain activities. Because of the difficulty of determining their fair value and the fact that such assistance is generally not otherwise purchased, contributed services are not recognized in the financial statements.

h) Capital debt

Capital debt interest is recorded as an expenditure in the financial statements. Grants are receivable from Alberta Treasury for the interest expense and principal payments made on supported debt. The grant amounts received or receivable for the interest expense have been recorded as revenue in the financial statements. The total principal repayments on supported debt have been recorded to the debenture debt liability and equity in capital assets.

i) Financial instruments

The District's financial instruments consist of cash, accounts receivable, accounts payable and accrued liabilities and long-term debt. It is management's opinion that the jurisdiction is not exposed to significant interest, currency or credit risks arising from these financial instruments. Unless otherwise noted, the fair values of these financial instruments approximate their carrying values.

3 Accounts receivable

	2005 **$**	**2004** **$**
Province of Alberta	2,236,733	2,428,704
Federal Government	183,385	184,769
Alberta municipalities	1,160,884	1,108,156
Other	158,867	139,938
	3,739,869	3,861,567

4 Trust assets/trust liabilities

Trust assets and liabilities are accounts which the District is not entitled to, but which the District manages on behalf of others.

	2005 $	2004 $
Deferred salary leave plan	146,069	97,208
Other	13,873	8,518
	159,942	105,726

5 Deferred revenue

	2005 $	2004 $
Infrastructure Maintenance Program (formerly BQRP)	314,632	87,957
Block modernization	-	167,509
Deferred Infrastructure	-	185,136
Deferred Infrastructure – Portables move	22,169	-
Video conferencing grant	60,000	-
Alberta Initiative for School Improvement	85,532	139,447
One time grant funding 1999	60,092	65,498
Transportation fees	213,444	196,986
Tuition	190,765	178,342
Other	146,338	141,818
	1,092,972	1,162,693

6 Unamortized capital allocations

The initial receipt of funds specifically designated for the funding of capital assets are recorded to deferred capital allocations. As expenditures are incurred for the related asset, the appropriate proportion of deferred capital allocation funds are transferred to unamortized capital allocations.

When the capital asset is complete the applicable unamortized capital allocation amount is amortized as revenue over the same period of time that the capital asset is amortized to expense.

The deferred capital allocation balance of $167,140 (2004 – $31,873) results from block modernization and unexpended school modernization funds received from the province but not expended at August 31, 2005.

7 Accounts payable and accrued liabilities

	2005 $	2004 $
Trade payables and accrued liabilities	2,906,422	1,107,217
Province of Alberta	1,536,900	1,758,846
	4,443,322	2,866,063

8 Long-term debt

	2005 $	2004 $
Debentures outstanding at August 31, 2004 have interest rates which vary between 6.25% to 12.0%. The terms of the debentures range from 8 to 25 years with payments of principal and interest made annually	9,372,440	10,623,202
Less: Current portion	1,216,004	1,250,763
	8,156,436	9,372,439

$9,175,740 in debentures are supported by Alberta Finance and $196,700 is unsupported debt.

The principal repayments in each of the next five fiscal years and beyond are as follows:

	Supported $	Unsupported $	Total $
2006	1,084,904	131,100	1,216,004
2007	1,057,304	65,600	1,122,904
2008	981,921	-	981,921
2009	922,811	-	922,811
2010	922,811	-	922,811
Thereafter	4,205,989	-	4,205,989
	9,175,740	196,700	9,372,440

9 Internally restricted net assets

Reserves created by the authorization of the Board of Trustees represent funds allocated for future capital expenditures and future operating expenses. The capital reserves are established and expended in accordance with the terms and conditions established by the Board.

10 Related party transactions and economic dependence

Various Government of Alberta departments are involved with administering education, district facilities, and the various school boards in the province and are considered to be related parties. The District's primary source of revenue is from the Alberta Government. The District's ability to continue viable operations is dependant on this funding.

11 Urban School Insurance Consortium

The District is a member of the Urban School Insurance Consortium, an organization which facilitates the placement of property and liability insurance coverage for thirteen districts throughout the province of Alberta. Premium rebates are received from the insurers favourable claims experience and accumulated by the consortium to self-insure a portion of the member's risk exposure. The District's share of the accumulated consortium funds as at August 31, 2005 was $227,502 (2004 – $237,287). This amount has not been recognized in the District's financial statements, as the District has not realized the revenue.

12 Budget

The budget was prepared by district management with the Board of Trustees' approval given on May 25, 2004. It is presented for information purposes only and has not been audited.

SCHEDULE A to the AFS

School Jurisdiction Cod 7020

ALLOCATION OF REVENUES AND EXPENSES TO PROGRAMS - 2004-2005

	REVENUES	**TOTAL**	**ECS to Grade 12 Instruction**	**Operations and Maintenance of Schools & Maintenance Shops**	**Transportation**	**Board & System Admin.**	**External Services**
(1)	**Alberta Education Revenues**	$41,465,725	$37,302,520	$1,710,691	$855,158	$1,597,356	$0
	Alberta Infrastructure and Transportation						
(2)	Infrastructure Maintenance Program & Portable Relocations support	$383,487	$0	$383,487			
(3)	Regular Operations & Maintenance support	$2,394,967		$2,394,967			
(4)	Other support	$52,813	$0	$52,813			
(5)	**Total Alberta Infrastructure and Transportation Revenues**	$2,831,267	$0	$2,831,267			
(6)	**Alberta Finance**	$977,354		$977,354			$0
(7)	**Other - Government of Alberta**	$231,754	$211,442	$14,710	$0	$5,602	$0
(8)	**Federal Government and/or First Nations**	$89,202	$89,202	$0	$0	$0	$0
(9)	**Other Alberta school authorities**	$116,674	$116,674	$0	$0	$0	$0
(10)	**Out of province authorities**	$0	$0	$0	$0	$0	$0
(11)	**Alberta municipalities** (excl. supplementary requisitions)	$0	$0	$0	$0	$0	$0
(12)	**Instruction resource fees**	$628,107	$628,107				
(13)	**Transportation fees**	$308,140			$308,140		
(14)	**Other sales and services**	$940,381	$927,299	$2,538	$0	$10,544	$0
(15)	**Investment income**	$156,276	$0	$0	$0	$156,276	$0
(16)	**Gifts and donations**	$26,674	$26,674	$0	$0		$0
(17)	**Rentals of facilities**	$41,465	$35,541	$5,674	$0	$250	$0
(18)	**Net school generated funds**	$65,493	$65,493			$0	
(19)	**Gains on disposal of capital assets**	$0	$0	$0	$0	$0	$0
(20)	**Amortization of capital allocations**	$1,583,871	$0	$1,583,871	$0		$0
(21)	**TOTAL REVENUES**	$49,462,383	$39,402,952	$7,126,105	$1,163,298	$1,770,028	$0
	EXPENSES						
(22)	**Certificated salaries**	$26,496,343	$26,207,860			$288,483	$0
(23)	**Certificated benefits**	$2,848,434	$2,826,843			$21,591	$0
(24)	**Uncertificated salaries and wages**	$6,924,775	$4,329,113	$1,812,292	$49,692	$733,678	$0
(25)	**Uncertificated benefits**	$1,559,922	$1,027,017	$379,207	$10,771	$142,927	$0
(26)	**SUB - TOTAL**	$37,829,474	$34,390,833	$2,191,499	$60,463	$1,186,679	$0
(27)	**Services, contracts & supplies**	$7,897,861	$4,126,337	$2,207,877	$1,129,139	$434,508	$0
(28)	**Cost recoveries & charges to programs**	$0	$0	$0	$0	$0	$0
(29)	**Net school generated funds**	$65,493	$65,493				
	Capital and debt services						
	Amortization of capital assets						
(30)	Supported	$1,583,871	$0	$1,583,871	$0	$0	$0
(31)	Unsupported	$514,961	$253,267	$217,213	$1,169	$43,312	$0
(32)	Total Amortization	$2,098,832	$253,267	$1,801,084	$1,169	$43,312	$0
	Interest on capital debt						
(33)	Supported	$977,354	$0	$977,354	$0	$0	$0
(34)	Unsupported	$20,278	$0	$20,278	$0	$0	$0
(35)	Other interest charges	$0	$0	$0	$0	$0	$0
(36)	Losses on disposal of capital assets	$0	$0	$0	$0	$0	$0
(37)	**TOTAL EXPENSES**	$48,889,292	$38,835,930	$7,198,092	$1,190,771	$1,664,499	$0
(38)	**SURPLUS (DEFICIT) BEFORE EXTRAORDINARY ITEM**	$573,091	$567,022	($71,987)	($27,473)	$105,529	$0

School Jurisdiction Code: 7020

SCHEDULE B to the AFS

ALBERTA EDUCATION REVENUES 2004-2005

	TOTAL
Base Funding	
Early Childhood Services (ECS)	$1,400,552
Base Instruction (Gr 1-12)	$32,136,255
Outreach Programs	$52,020
Home Education	$1,241
Differential Cost Funding *	$4,122,291
Other Provincial Support	
Institutional Programs	$0
Regional Consortium (6 boards) and Regional Educational Consulting Services (4 boards)	$0
Learning Resources Credit	$45,690
Federal French Funding	$80,666
Provincial Priority Targeted Funding	
Class Size Initiative	$1,012,204
Student Health Initiative (SHI)	$0
Alberta Initiative for School Improvement (AISI)	$851,447
High Speed Networking	$30,541
Children and Youth with Complex Needs	
Other Alberta Education Revenues (describe) O&M, PPD system admin	$1,732,818
Total Alberta Education Revenues	$41,465,725

* Differential Cost Funding is based on distribution formulas designed to address variable cost factors and incremental costs associated with other variables and specific student populations. Included in differential cost funding are allocations for students with severe disabilities, English as a second language students, Francisation and support services for immigrant students, aboriginal students, gifted & talented early childhood services children and those with mild or moderate or severe disabilities, the percentage of the student population experiencing low socio-economic status, small schools by necessity, intra-jurisdiction distances, year to year enrolment fluctuations, small school board administration, schools located in the north, boarding, transportation, stabilization of funding, and cost differences among school jurisdictions for purchasing goods and services

School Jurisdiction Code: 7020

SCHEDULE C the AFS
ECS to Grade 12 INSTRUCTION PROGRAMS Expense Details - 2004-2005

SUB-PROGRAMS & INITIATIVES	ECS to GRADE 12 Instruction						
	Certificated Remuneration	Uncertificated Remuneration	Services, Contracts & Supplies [1]	Learning Resources	Cost Recoveries & Transfers	Other Expenses [2]	TOTAL EXPENSES
School Administration & All Instruction Support	$3,206,227	$2,433,574	$796,520		$0	$39,462	$6,475,783
Mild & Moderate Disabilities/Gifted & Talented (ECS-12)	$2,608,965	$813,431	$209,720		$0		$3,632,116
ECS Program Unit (PUF)	$66,843	175,682	$124,274		$0		$366,799
Severe Disabilities (Gr 1-12)	$344,333	$1,533,477	$242,955		$0		$2,120,765
English as a Second Language	$0	$52,876	$2,306		$0		$55,182
French Language Program & Francisation (all jurisdictions)	$1,760,932	$0	$37,842		$0		$1,798,774
First Nations, Metis and Inuit Education (ECS - Gr 12)	$161,260	$0	$5,000		$0		$166,260
Home Education	$0	$0	$0		$0		$0
Institutional Programs	$0	$0	$0		$0		$0
Alberta Initiative for School Improvement	$630,020	$21,192	$201,335	$0	$0		$852,547
Student Health Initiative	$0	$0	$0		$0		$0
High Speed Networking			$47,642		$0		$47,642
Class Size	$1,103,139	$0	$0	$0	$0		$1,103,139
Children and Youth with Complex Needs (ECS - Gr 12)	$0	$0	$0		$0		$0
All Other Student Instruction Expenses (ECS - Gr 12)	$19,152,984	$325,898	$2,458,743	$0	$0	$279,298	$22,216,923
TOTAL EXPENSES	$29,034,703	$5,356,130	$4,126,337	$0	$0	$318,760	$38,835,930

FULL-TIME-EQUIVALENCIES (Board/Contract)	FTE Certificated	FTE Uncertificated
Mild & Moderate Disabilities/Gifted & Talented (ECS - Gr 12	35.1	20.2
ECS Program Unit (PUF)	0.9	5.1
Severe Disabilities (Gr 1-12)	3.9	43.9

Note 1 Excludes Learning Resources

Note 2 Includes Net School Generated Funds, Amortization, Interest, and Losses on Disposal of Instruction Program Capital Assets

School Jurisdiction Code: 7020

SCHEDULE D to the AFS
CALCULATION OF MAXIMUM ELIGIBLE EXPENSE LIMIT FOR BOARD (GOVERNANCE) AND SYSTEM ADMINISTRATION - 2004-2005

TOTAL EXPENSES	**$48,889,292**

STEP 1

Calculation of maximum expense limit PERCENTAGE for Board and System Administration expenses

If "Total Net Enrolled Students" are 6,000 and over	= 4%	4.00%
If "Total Net Enrolled Students" are 2,000 and less	= 6%	

The Maximum Expense Limit for Board and System Administration is based on an arithmetical proration for the TOTAL FTE count for grades 1 -12, net of Home Education AND Adult students, between 2,000 to 6,000 at .0005 per FTE.

EXAMPLE: 4,500 FTE count grades 1-12 = 6,000 - 4,500 = 1,500 X .0005 = .75% plus 4% = maximum expense limit of 4.75%.

Note: Calculation unnecessary if Total FTE is 6,000 or more, and 2,000 & less.

STEP 2

Calculate maximum expense limit AMOUNTS for Board and System Administration expenses

Maximum Expense Limit percentage (Step 1) x TOTAL EXPENSES		$1,955,572
Considerations for Charter Schools and Small School Boards:		
If **Charter School**, enter $56,100	$0	$0
If **School Board**, please enter your 04-05 Gr 1- 12 funded enrolment	0	
	$0	$0
MAXIMUM EXPENSE LIMIT		**$1,955,572**

STEP 3

Compare maximum expense limit amounts calculated in Step 2 to actual expenses (from Schedule A)

Actual Board Governance & System Administration expenses	$1,664,499
PLUS: transfers to Restricted - Operating (Board/System Administration)	$120,575
LESS: transfers from Restricted - Operating (Board/System Administration)	-$39,910
TOTAL BOARD GOVERNANCE & SYSTEM ADMINISTRATION EXPENSES	$1,745,164
MAXIMUM EXPENSE LIMIT	$1,955,572
ACTUAL EXPENSES - OVER(UNDER) MAXIMUM EXPENSE LIMIT	-$210,408

School Jurisdiction Code: 7020

SCHEDULE E to the AFS
SOURCE & APPLICATION OF SCHOOL GENERATED FUNDS (SGF) - 2004-2005

	Gross SGF	Related Expenses	Net SGF	
Unexpended SGF - Opening Balance August 31, 2004 (Note 1)				$673,869
Source of Net School Generated Funds:				
Fundraising activities	$843,319	$947,450	($104,131)	
Student fees (Non-Instructional) (Note 2)	$908,104		$908,104	
Donations and grants to schools	$13,160		$13,160	
Other (describe): direct expenses to SGF activities	$17,560	$1,036,746	($1,019,186)	
Net Additions to SGF	$1,782,143	$1,984,196		($202,053)
Net SGF Available for Discretionary Spending				$471,816
Application of Net School Generated Funds:				
Extra-curricular activities			$26,424	
School beautification			$13,296	
Field Trips				
Equipment			$3,658	
Family literacy and other community resources			$8,099	
Other (describe): bank interest, awards			$14,016	
Net SGF Expended for Discretionary Purposes (Note 3)				$65,493
Unexpended SGF - Closing Balance August 31, 2005 (Note 4)				$406,323

School Generated Funds (SGF) are funds raised in the community for student activities that come under the control and responsibility of school management. These funds are usually collected and retained at the school for expenditures paid at the school level. SGF does not include fees with respect to instructional supplies or materials collected pursuant to Section 60(2)(j) of the *School Act*, and any other funds collected at the school but remitted to central office and accounted for by the jurisdiction (facility rentals, capital assets purchases, etc.)

Note 1 Input "(Restated)" beside Balance at August 31, 2004 where not taken from the finalized 2003-2004 Audited Financial Statements.

Note 2 Excludes fees collected pursuant to Section 60(2)(j) of the School Act (fees with respect to instructional supplies or materials - essentially textbooks, resource materials in lieu of textbooks, media, software, and materials for classrooms). Amounts collected for CEU-related activities are recorded as instruction resource fees, not SGF.

Note 3 Net SGF Expended for Discretionary Purposes is recorded as revenue and expense in the Statement of Revenues & Expenses.

Note 4 Unexpended SGF is carried forward to the Statement of Financial Position.

School Jurisdiction Code: 7020

SCHEDULE F to the AFS
Operations and Maintenance Program Expenses - 2004-2005

EXPENSES	Custodial	Maintenance	Utilities and Telecommunications	Expensed Mod./I.M.P. & Portable Relocations	Facility Planning & Operations Administration	SUB-TOTAL Operations & Maintenance	Supported Capital & Debt Services	TOTAL Operations and Maintenance
Uncertificated salaries and wages	$1,165,878	$450,797	$0	$0	$195,617	$1,812,292		$1,812,292
Uncertificated benefits	$252,083	$87,270	$0	$0	$39,854	$379,207		$379,207
Sub-total Remuneration	$1,417,961	$538,067	$0	$0	$235,471	$2,191,499		$2,191,499
Contracted Services	$180,980	$46,148	$31,436	$162,035	$1,292	$421,891		$421,891
Supplies	$147,363	$459,610	$0	$162,035	$7,443	$776,451		$776,451
Electricity			$456,775			$456,775		$456,775
Natural Gas/Heating Fuel			$378,027			$378,027		$378,027
Sewer and Water			$56,598			$56,598		$56,598
Telecommunications			$14,645			$14,645		$14,645
Insurance					$103,490	$103,490		$103,490
Amortization of capital assets								
Supported							$1,583,871	$1,583,871
Unsupported						$217,213		$217,213
Total Amortization						$217,213	$1,583,871	$1,801,084
Interest on capital debt								
Supported							$977,354	$977,354
Unsupported				$20,278		$0		$20,278
Other interest charges						$0		$0
Losses on disposal of capital assets						$0		$0
Cost recoveries & transfers						$0		$0
TOTAL EXPENSES	$1,746,304	$1,043,825	$937,481	$344,348	$347,696	$4,616,589	$2,561,225	$7,198,092
SQUARE METRES								
School Buildings								70,284.2
Non School Buildings								3,660.5
UNCERTIFICATED FTE'S (Board/Contract)	38.3	8.9						

Notes:

Custodial:	All expenses related to activities undertaken to keep the school environment clean and safe.
Maintenance:	All expenses associated with the repair, replacement and minor construction of buildings, grounds and equipment components. This includes regular and preventative maintenance undertaken to ensure components reach or exceed their life cycle and the repair of broken components.
Utilities & Telecommunications:	All expenses related to electricity, natural gas and other heating fuels, sewer and water and all forms of telecommunications.
Expensed Block Mod/I.M.P. & Portable Relocations:	All expenses associated with non-capital activites related to Block Modernization, Infrastructure Maintenance Programs (AKA Building Quality Restoration Program) and portable relocations.
Facility Planning & Operations Administration:	All expenses related to the administration of operations and maintenance including (but not limited to) contract administration, clerical functions, negotiations, supervision of employees and contractors, administration of capital projects (including new schools, I.M.P., block modernization and portable relocations), administration of joint-use agreements, and all expenses related to ensuring compliance with health and safety statndards, codes and government regulations.
Supported Capital & Debt Services:	All expenses related to supported capital assets amortization and interest on supported capital debt.

School Jurisdiction Code: 7020

SCHEDULE G to the AFS

DISCLOSURE OF SALARIES AND BENEFITS - 2004-2005

(SECTION 148.1 OF THE SCHOOL ACT)

		FTEs	Remuneration	Benefits	Allowances	Performance Bonuses	ERIP's / Other	Total	Expenses
Chairperson:									
Name	Dr. Morag Pansegrau	1.0	$20,789	$2,269	$0			$23,058	$2,118
Name		0.0	$0	$0	$0			$0	$0
Other Board Members:									
Name	Joan Alexander	1.0	$18,149	$977	$0			$19,126	$1,611
Name	Garry Martins	0.8	$13,536	$1,876	$0			$15,412	$1,442
Name	Joan Trettler	1.0	$18,701	$1,332	$0			$20,033	$901
Name	Ernie Wynychuk	0.8	$13,925	$1,876	$0			$15,801	$1,777
Name	Judy Huisman	0.2	$2,592	$73	$0			$2,665	$0
Name	Irene Harvey	0.2	$2,177	$0	$0			$2,177	$7
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Subtotal		*5.0*	*$89,869*	*$8,403*	*$0*			*$98,272*	*$7,856*
Superintendent	Joe Demko	1.0	$125,794	$8,378	$0	$0	$0	$134,172	$3,915
Superintendent		0.0	$0	$0	$0	$0	$0	$0	$0
Secretary/Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Secretary/Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Board Secretary	Donna Taylor	1.0	$48,205	$11,773	$0	$0	$0	$59,978	$0
Board Secretary		0.0	$0	$0	$0	$0	$0	$0	$0
Board Treasurer	Michael Brenneis	1.0	$111,981	$18,386	$0	$0	$0	$130,367	$747
Board Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Certificated Salaries		359.4	$26,351,550	$2,840,426	$0	$0	$19,000	$29,210,976	
Uncertificated Salaries & Wages		182.7	$6,674,719	$1,520,990	$0	$0	$0	$8,195,709	
TOTALS			**$33,402,118**	**$4,408,356**	**$0**	**$0**	**$19,000**	**$37,829,474**	

Note: Please refer to completion information on page 15.

School Jurisdiction Code 2185

AUDITED
FINANCIAL STATEMENTS
and Supporting Schedules
FOR THE YEAR ENDED AUGUST 31, 2005
[School Act, Sections 147(2)(a), 148, 151(1) and 276]

St. Paul Education Regional Division No. 1
Legal Name of School Jurisdiction

4901 - 47 Street St. Paul, Alberta T0A 3A3
Mailing Address

Phone: (780) 645-3323 Fax: (780) 645-5789
Telephone and Fax Numbers

SCHOOL JURISDICTION MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The financial statements and supporting schedules St. Paul Education Regional Division No. 1 (Name of School Jurisdiction) presented to Alberta Learning have been prepared by school jurisdiction management which has responsibility for their preparation, integrity and objectivity. The financial statements and schedules, including notes, have been prepared in accordance with generally accepted accounting principles and Ministerial requirements for Alberta school jurisdictions.

In fulfilling its reporting responsibilities, management has maintained internal control systems and procedures designed to provide reasonable assurance that the school jurisdiction's assets are safeguarded, that transactions are executed in accordance with appropriate authorization and that accounting records may be relied upon to properly reflect the school jurisdiction's transactions. The effectiveness of the control systems is supported by the selection and training of qualified personnel, an organizational structure that provides an appropriate division of responsibility and a strong budgetary system of control.

Board of Trustees Responsibility
The ultimate responsibility for the financial statements lies with the Board of Trustees. The Board reviewed the financial statements with management in detail and the Board approved the financial statements for release.

External Auditors
The Board appoints external auditors to audit the financial statements and meets with the auditors to review their findings. The external auditors have full and free access to school jurisdiction records.

Declaration of Management and Board Chairman
To the best of our knowledge and belief, these financial statements and supporting schedules reflect, in all material respects, the financial position and results of operations and cash flows for the year in accordance with generally accepted accounting principles and Ministerial requirements for Alberta school jurisdictions.

BOARD CHAIRMAN	
Terry LaBoucane	"ORIGINAL SIGNED"
Name	Signature

SUPERINTENDENT	
Douglas Yeo	"ORIGINAL SIGNED"
Name	Signature

SECRETARY TREASURER OR TREASURER	
Jean Champagne	"ORIGINAL SIGNED"
Name	Signature

28-Nov-05
Board-approved Release Date

c.c. **ALBERTA EDUCATION, School Reporting Branch,**
8th Floor Commerce Place, 10155-102 Street, Edmonton AB T5J 4L5
EMAIL: Cindy.Jarry@gov.ab.ca
PHONE: (780) 427-7782 FAX: (780) 422-6996

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AUDITORS' REPORT

To the Board of Trustees
St. Paul Education Regional Division No. 1

We have audited the statement of financial position of the St. Paul Education Regional Division No. 1 as at August 31, 2005 and the statements of revenues and expenses, cash flows, changes in net assets, and capital allocations for the year then ended. These financial statements are the responsibility of the school jurisdiction's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance as to whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the school jurisdiction as at August 31, 2005 and the results of its operations, changes in cash flows, net assets and capital allocations for the year then ended in accordance with Canadian generally accepted accounting principles.

Our audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplementary information included in Schedules A through G is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such supplementary information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

'Original Signed'
Wilde & Company

Chartered Accountants

Vegreville, Alberta
November 3, 2005

School Jurisdiction Code: 2185

STATEMENT OF FINANCIAL POSITION

as at August 31, 2005

(in dollars)

		2005	2004 restated
ASSETS			
Current assets			
Cash and temporary investments		$3,516,994	$5,844,641
Accounts receivable (net after allowances)		$3,544,921	$2,521,418
Prepaid expenses		$180,127	$288,856
Other current assets			
Total current assets		$7,242,042	$8,654,915
School generated assets		$446,784	$367,722
Trust assets		$34,486	$34,486
Long term accounts receivable		$0	$0
Long term investments		$0	$0
Capital assets			
Land		$128,374	$128,374
Buildings	$31,550,378		
Less accumulated amortization	($14,882,749)	$16,667,629	$14,099,497
Equipment	$2,731,482		
Less accumulated amortization	($1,877,446)	$854,036	$940,464
Vehicles	$2,217,454		
Less accumulated amortization	($1,226,468)	$990,986	$944,326
Total capital assets		$18,641,025	$16,112,661
TOTAL ASSETS		$26,364,337	$25,169,784
LIABILITIES			
Current liabilities			
Bank indebtedness		$0	$0
Accounts payable and accrued liabilities		$2,372,844	$2,357,415
Deferred revenue		$531,085	$325,596
Deferred capital allocations		$193,790	$1,529,377
Current portion of all long term debt		$519,240	$528,776
Total current liabilities		$3,616,959	$4,741,164
School generated liabilities		$446,784	$367,722
Trust liabilities		$34,486	$34,486
Employee future benefits liability		$0	
Long term payables and accrued liabilities		$0	$0
Long term debt			
Supported Debentures and other supported debt		$3,298,732	$3,827,508
Less Current portion of supported debt		($519,240)	($528,776)
Unsupported Debentures and Capital Loans			
Capital Leases			
Mortgages			
Less Current portion of unsupported debt			
Unamortized capital allocations		$13,569,199	$10,424,903
Total long term liabilities		$16,829,961	$14,125,843
TOTAL LIABILITIES		$20,446,920	$18,867,007
NET ASSETS			
Unrestricted net assets		$573,609	$501,813
Operating Reserves		$3,467,308	$3,837,308
Accumulated Operating Surplus (Deficit)		$4,040,917	$4,339,121
Investment in capital assets		$1,773,091	$1,860,247
Capital Reserves		$103,409	$103,409
Total Capital Funds		$1,876,500	$1,963,656
Total net assets		$5,917,417	$6,302,777
TOTAL LIABILITIES AND NET ASSETS		$26,364,337	$25,169,784

Note: Input "(Restated)" in 2004 column heading where comparatives are not taken from the finalized 2003-2004 Audited Financial Statements.

School Jurisdiction Code: 2185

STATEMENT OF REVENUES AND EXPENSES

for the Year Ended August 31, 2005

(in dollars)

	Actual 2005	Budget 2005	Actual 2004
REVENUES			
Government of Alberta	$26,598,475	$26,426,259	$26,455,012
Federal Government and/or First Nations	$8,002,242	$7,254,205	$7,634,965
Other Alberta school authorities	$0		
Out of province authorities	$0		
Alberta Municipalities (excluding supplementary requisitions)	$0		
Instruction resource fees	$238,572	$219,500	$230,651
Transportation fees	$50,467	$36,700	$38,734
Other sales and services	$235,676	$42,380	$225,977
Investment income	$163,725	$210,000	$191,684
Gifts and donations	$0		
Rentals of facilities	$73,923	$43,833	$72,474
Net school generated funds	$520,367	$282,647	$487,871
Gains on disposal of capital assets	$0		$10,599
Amortization of capital allocations	$701,465	$711,000	$728,156
Total Revenues	$36,584,912	$35,226,524	$36,076,123
EXPENSES			
Certificated salaries	$18,056,541	$17,549,991	$17,836,837
Certificated benefits	$1,912,268	$2,018,249	$1,952,577
Uncertificated salaries and wages	$6,894,200	$6,652,473	$6,560,203
Uncertificated benefits	$1,383,889	$1,197,445	$1,358,375
Services, contracts and supplies	$6,695,156	$6,580,845	$6,356,422
Net school generated funds	$520,367	$282,647	$487,871
Capital and debt services			
Amortization of capital assets			
Supported	$701,465	$711,000	$728,156
Unsupported	$416,345	$424,893	$443,313
Total Amortization of capital assets	$1,117,810	$1,135,893	$1,171,469
Interest on capital debt			
Supported	$373,826	$401,310	$431,997
Unsupported	$0		
Total Interest on capital debt	$373,826	$401,310	$431,997
Other interest charges	$2,435	$2,500	$2,237
Losses on disposal of capital assets	$13,780	$0	
Total Expenses	$36,970,272	$35,821,353	$36,157,988
SURPLUS (DEFICIT) OF REVENUES OVER EXPENSES BEFORE EXTRAORDINARY ITEM	($385,360)	($594,829)	($81,865)
Extraordinary Item	$0	$0	$0
SURPLUS (DEFICIT) OF REVENUES OVER EXPENSES	($385,360)	($594,829)	($81,865)

Note: Input "(Restated)" in Budget 2005 and/or Actuals 2004 column headings where comparatives are not taken from the respective finalized 2004-2005 Budget Report and/or finalized 2003-2004 Audited Financial Statements.

School Jurisdiction Code: 2185

STATEMENT OF CASH FLOWS

for the Year Ended August 31, 2005

(in dollars)

	2005	2004 restated
CASH FLOWS FROM:		
A. OPERATIONS		
Surplus (deficit) of revenues over expenses for the year	($385,360)	($81,865)
Add (Deduct) items not requiring cash:		
Amortization of capital allocations revenue	($701,465)	($728,156)
Total amortization expense	$1,117,810	$1,171,469
Gains on disposal of capital assets	$0	($10,599)
Losses on sale of capital assets	$13,780	
Changes in accrued accounts:		
Accounts receivable	($1,023,503)	($798,061)
Prepaids and other current assets	$108,729	$4,190
Long term accounts receivable	$0	
Long term investments	$0	
Payables and accrued liabilities	$15,429	$506,596
Deferred revenue	$205,489	($274,300)
Employee future benefit expense (recovery)	$0	
Other (describe)	$0	
Total sources (uses) of cash from Operations	($649,091)	($210,726)
B. INVESTING ACTIVITIES		
Purchases of capital assets		
Land	$0	$0
Buildings	($3,179,234)	($2,013,128)
Equipment	($326,397)	($231,419)
Vehicles	($226,666)	($264,290)
Net proceeds from disposal of capital assets	$0	$23,951
Other (describe)	$0	
Total sources (uses) of cash from Investing activities	($3,732,297)	($2,484,886)
C. FINANCING ACTIVITIES		
Capital allocations	$2,053,741	$77,293
Issue of long term debt	$0	
Repayment of long term debt	($528,776)	($540,909)
Add back: supported portion	$528,776	$540,909
Other (describe)		$0
Total sources (uses) of cash from Financing activities	$2,053,741	$77,293
Net sources (uses) of cash during year	($2,327,647)	($2,618,319)
Cash and temporary investments, net of bank indebtedness, at Aug. 31/04	$5,844,641	$8,462,960
Cash and temporary investments, net of bank indebtedness, at Aug. 31/05	$3,516,994	$5,844,641

Note: 1 Input "(Restated)" in 2004 column heading where not taken from the finalized 2003-2004 Audited Financial Statements.

2 Cash and temporary investments are net of cash obligations.

STATEMENT OF CHANGES IN NET ASSETS
for the Year Ended August 31, 2005

(in dollars)

School Jurisdiction 2185

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
	TOTAL NET ASSETS Cols. 2+3+4	INVESTMENT IN CAPITAL ASSETS	UNRESTRICTED NET ASSETS	TOTAL INTERNALLY RESTRICTED NET ASSETS Cols. 5 to 14	INTERNALLY RESTRICTED NET ASSETS									
					School Based		Infrastructure		Board & System Admin.		Transportation		External Services	
					Operating Reserves	Capital Reserves	O& M Operating Reserves	Capital Reserves	Operating Reserves	Capital Reserves	Operating Reserves	Capital Reserves	Operating Reserves	Capital Reserves
Balance at August 31, 2004	$6,302,777	$1,860,247	$501,813	$3,940,717	$535,884		$1,800,307	$76,527	$1,036,908	$0	$464,209	$26,882	$0	$0
Prior period adjustments (describe)														
	$0	$0		$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Adjusted Balance,Aug.31, 2004	$6,302,777	$1,860,247	$501,813	$3,940,717	$535,884	$0	$1,800,307	$76,527	$1,036,908	$0	$464,209	$26,882	$0	$0
Surplus(def) of revenue over expenses	($385,360)		($385,360)											
Board funded capital transactions		$342,969	($342,969)	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Direct credits to net assets	$0	$0												
Amortization of capital assets		($1,117,810)	$1,117,810											
Amortization of capital allocations		$701,465	($701,465)											
Disposal of unsupported capital assets	$0	($13,780)	$13,780	$0		$0		$0		$0		$0		$0
Disposal of supported capital assets (board funded portion)	$0			$0		$0				$0		$0		$0
Debt principal payments (unsupported)		$0												
Net transfers to operating reserves			$0	$0			$0		$0				$0	
Net transfers from operating reserves			$370,000	($370,000)	($370,000)		$0		$0		$0		$0	
Net transfers to capital reserves			$0	$0		$0		$0		$0		$0		$0
Net transfers from capital reserves			$0	$0		$0		$0		$0		$0		$0
Balance at August 31, 2005	$5,917,417	$1,773,091	$573,609	$3,570,717	$165,884	$0	$1,800,307	$76,527	$1,036,908	$0	$464,209	$26,882	$0	$0

School Jurisdiction Code: 2185

STATEMENT OF CAPITAL ALLOCATIONS
(SUPPORTED CAPITAL FINANCING ONLY)
for the Year Ended August 31, 2005

(in dollars)

	Deferred Capital Allocations	Unamortized Capital Allocations
Balance at August 31, 20	$1,529,377	$10,424,903
Prior period adjustment		$0
Adjusted balance, August 31, 2004	$1,529,377	$10,424,903
Add:		
Capital allocations from: Infrastructure and Transportation-New/Modernization Projects	$1,782,377	
Other Government of Alberta	$0	
Federal Government and/or First Nations	$0	
Other sources	$0	
Interest earned on provincial government capital allocations	$12,149	
Other capital grants and donations	$259,215	
Proceeds on disposal of supported capital assets		
Insurance proceeds	$0	
Donated capital assets (amortizable, at Fair Market Value)		$0
Transferred in capital assets (amortizable, at Net Book Value)		$0
Current Year Debenture Principal Repayment		$528,776
Expended capital allocations - current year	($3,389,328)	$3,389,328
Less:		
Unamortized Capital Allocation affected by a disposal through transfer out		$72,343
Capital allocations amortized to revenue		$701,465
Balance at August 31, 2005	$193,790	$13,569,199

1. AUTHORITY AND PURPOSE

The school jurisdiction delivers education programs under the authority of the School Act, Revised Statutes of Alberta 2000, Chapter S-3.

The jurisdiction receives instruction and support under Regulation 77/2003. The regulation allows for the setting of conditions and use of grant monies. The school jurisdiction is limited on certain funding allocations and administration expenses.

2. SIGNIFICANT ACCOUNTING POLICIES

These financial statements have been prepared in accordance with Canadian generally accepted accounting principles (GAAP). The precise determination of many assets and liabilities is dependent on future events. As a result, the preparation of financial statements for a period involves the use of estimates and approximations, which have been made using careful judgment. Actual results could differ from those estimates and approximations. The financial statements have, in management's opinion, been properly prepared within reasonable limits of materiality and within the framework of the accounting policies summarized below:

a) Revenue Recognition

Revenue is recognized as follows:

Instruction and support allocations are recognized in the year to which they relate.

Fees for services related to courses and programs are recognized as revenue when such courses and programs are delivered.

Unrestricted contributions are recognized as revenue when received or receivable. Contributions in-kind are recorded at fair market value when reasonably determinable.

Externally restricted contributions are deferred and recognized as revenue in the period in which the restriction is complied with. Endowment contributions are recognized as direct increases in net assets in the period in which they are received or receivable.

b) Capital Assets

Capital assets are recorded at cost, and are amortized over their estimated useful lives on a straight line basis, at the following rates:
Buildings - 2.5 to 10%
Equipment - 20%
Vehicles - 10 to 20%

Capital assets with costs in excess of $5,000 are capitalized. Capital allocations received for asset additions are amortized over the same period as the related asset.

c) School Generated Funds

Funds generated from school based activities are included as assets, liabilities, revenues and expenses of the school jurisdiction because the accountability and control/ownership of these funds rests with school jurisdiction officials or their appointee(s).

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

d) Vacation Pay

Vacation pay is accrued in the period in which the employee earns the benefit.

e) Contributed Services

Volunteers contribute a considerable number of hours per year to schools to ensure that certain programs are delivered such as kindergarten, lunch services and the raising of school generated funds. Because of the difficulty of compiling these hours and the fact that these services are not otherwise purchased, contributed services are not recognized in the financial statements.

f) Pensions

Pension costs included in these statements comprise the cost of employer contributions for current service of employees during the year.

The current service and past service costs of the Alberta Teacher Retirement Fund are met by contributions by active members and the Government of Alberta. Under the terms of the Teachers Pension Plan Act, the St. Paul Education Regional Division No. 1 does not make pension contributions for certificated staff.

The school board participates in a multi-employer pension plan, Local Authorities Pension Plan and does not report on any unfunded liabilities. The expense for this pension plan is equivalent to the annual contributions of $172,824 for the year ended August 31, 2005 ($149,657 - 2004). At December 31, 2004, the Local Authorities Pension Plan reported an actuarial deficiency of $1,288,924,000 (2003 deficiency of $1,453,487,000).

g) Prepaid Expenses

Certain expenditures incurred before the close of the school year are for school supplies which will be consumed subsequent to the year end, and are accordingly recorded as prepaid expenses. Certain insurance expenses fall into this category.

h) Financial Instruments

These consist of cash and short term investments, marketable investments, accounts receivable and accounts payable, accrued liabilities and long term debt. It is management's opinion that the jurisdiction is not exposed to significant interest, currency or credit risks arising from these financial instruments. Unless otherwise noted, the fair value of these financial instruments approximate their carrying values. The jurisdiction has invested surplus funds in accordance with Section 60 of the School Act and Section 5 of the Trustees Act.

i) Operating and Capital Reserves

Reserves are established at the discretion of the Board of Trustees of the jurisdiction, to set aside funds for operating and capital purposes. Such reserves are appropriations of unrestricted net assets.

j) Investments

Long term investments are valued at cost or, where there has been other than a temporary impairment in the value of the investment, at market value.

3. ACCOUNTS RECEIVABLE

	2005	2004
Provincial government grants	$ 2,867,737	$ 1,447,860
Federal government grants	320,000	485,000
GST recoverable	266,598	248,833
Other accounts receivable	90,586	339,725
	$ 3,544,921	$ 2,521,418

4. CAPITAL ASSETS

	Cost	Accumulated Amortization	Net Book Value 2005	Net Book Value 2004
Land	$ 128,374	$ -	$ 128,374	$ 128,374
Buildings	31,550,378	14,882,749	16,667,629	14,099,497
Equipment	2,731,482	1,877,446	854,036	940,464
Vehicles	2,217,454	1,226,468	990,986	944,326
	$ 36,627,688	$ 17,986,663	$ 18,641,025	$ 16,112,661

5. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	2005	2004
Province of Alberta	$ 265,001	$ 316,449
Federal Government	338,755	348,421
Other trade payables and accrued liabilities	1,769,088	1,692,545
	$ 2,372,844	$ 2,357,415

6. DEFERRED REVENUE

	2005	2004
IMP/BQRP grants	$ 276,804	$ 205,221
AISI	161,167	-
Career Corner and Northern Development	19,915	-
First Nations pilot project	-	55,440
Other revenues	73,199	64,935
	$ 531,085	$ 325,596

7. DEFERRED CAPITAL ALLOCATIONS

Deferred capital allocations represent externally restricted supported capital funds provided for a specific capital purpose received or receivable by the jurisdiction, but the related expenditure has not yet been made at year end. When expended, these deferred capital allocations are transferred to unamortized capital allocations.

	Opening	Capital Funds received or receivable	Transfer to unamortized capital allocations	Closing
Two Hills School modernization	$ 1,239,523	$ 1,782,377	$ 3,021,900	$ -
Donations - SPRHS - track	-	259,215	259,215	-
Interest earned - available for for future projects	289,854	12,149	108,213	193,790
	$ 1,529,377	$ 2,053,741	$ 3,389,328	$ 193,790

8. UNAMORTIZED CAPITAL ALLOCATIONS

Unamortized capital allocations represent externally restricted supported capital funds that have been expended, but have yet to be amortized over the useful life of the related capital asset. The unamortized capital allocations account balance is increased by transfers of deferred capital allocations expended, as well as fully supported debenture principal repayments.

	2005	2004
Consisting of:		
Opening balance	$ 10,424,903	$ 8,599,022
Transfer from deferred capital allocations - Note 7	3,389,328	2,013,128
Supported debenture and capital loan principal repayments	528,776	540,909
Less loss on disposal of supported asset	(72,343)	-
Less capital allocation for amortization	(701,465)	(728,156)
	$ 13,569,199	$ 10,424,903

9. LONG TERM DEBT

Debenture Debt - Supported

The debenture debt bears interest at rates varying between 7.875% and 12%. The debenture debt is fully supported by Alberta Finance. Debenture payments due over the next five years and beyond are as follows:

	2005	2004
Debentures	$ 3,298,732	$ 3,827,508
Less current portion of debt	519,240	528,776
Long term debt	$ 2,779,492	$ 3,298,732

School Year	Principal	Interest	Total
2005-2006	$ 519,240	$ 345,324	$ 864,564
2006-2007	500,073	290,411	790,484
2007-2008	476,067	237,560	713,627
2008-2009	458,138	187,201	645,339
2009-2010	395,878	138,853	534,731
2010 to maturity	949,336	270,992	1,220,328
	$ 3,298,732	$ 1,470,341	$ 4,769,073

10. OPERATING RESERVES

	Opening	Transfer to Reserves	Transfers From Reserves	Closing
Instruction	$ 535,884	$ -	$ (370,000)	$ 165,884
Administration	1,016,908	-	-	1,016,908
Election	20,000	-	-	20,000
Operations/Maintenance	1,750,307	-	-	1,750,307
Transportation	464,209	-	-	464,209
BQRP	50,000	-	-	50,000
	$ 3,837,308	$ -	$ (370,000)	$ 3,467,308

11. CAPITAL RESERVES

	Opening	Transfer to Reserves	Transfers From Reserves	Closing
Equipment	$ 76,527	$ -	$ -	$ 76,527
Vehicles	26,882	-	-	26,882
Balance, end of period	$ 103,409	$ -	$ -	$ 103,409

12. SCHOOL GENERATED FUNDS

	2005	2004
Balance, beginning of year	$ 367,722	$ 464,447
Source of school generated funds (SGF)		
SGF for the year	1,077,356	901,254
Less cost of generating SGF	(511,919)	(728,238)
Less items capitalized at the district level	-	(2,810)
Donations received	33,992	220,940
Net SGF additions for the year	599,429	391,146
Net SGF available for discretionary spending	967,151	855,593
SGF expended for discretionary purposes	(520,367)	(487,871)
Balance, end of year	$ 446,784	$ 367,722

13. DISCLOSURE OF SALARY AND BENEFITS

	FTE	Salaries & Wages	Benefits & Allowances	Total	Reimbursed Expenses
Terry Laboucane - Chairman	0.9	$ 15,730	$ 75	$ 15,805	$ 2,596
Lorne Buryn - past Chairman	0.1	1,263	612	1,875	-
Other Board Members:					
Rhea Looy	1	13,900	2,853	16,753	5,941
Darrell Younghans	1	13,140	3,884	17,024	4,970
Ron Rudkowsky	1	14,110	1,077	15,187	7,425
Doug Millar	0.9	11,728	3,228	14,956	5,669
Deb Pederson	0.9	13,633	3,315	16,948	8,668
Steve Upham	0.9	12,733	3,279	16,012	7,456
Shelley Dyck	0.1	1,563	471	2,034	623
Ed Sosnowski	0.1	1,038	519	1,557	58
Doug Yeo (Superintendent)	1	113,974	13,899	127,873	14,165
Jean Champagne (Sec/Treas)	1	93,902	21,402	115,304	3,934
Salaries - Certificated	267.5	17,942,567	1,898,369	19,840,936	
Salaries - Uncertificated	302.2	6,701,460	1,343,174	8,044,634	
		$ 24,950,741	$ 3,296,157	$ 28,246,898	

14. CONTINGENCIES

Contingent Assets

The jurisdiction is a member of a reciprocal insurance exchange called Genesis. A portion of the premiums paid each year represents equity contributions to the insurance fund. These payments have been recorded as expenses in the financial statements as the value of the equity is subject to liability claims.

Contingent Liabilities

The jurisdiction is a member of the Alberta Local Authorities Reciprocal Insurance Exchange (Genesis). Under the terms of membership, the jurisdiction could become liable for its proportionate share of any claim losses in excess of the funds held by the exchange. Any liability incurred would be accounted for as a current transaction in the year the losses are determined.

15. BUDGET AMOUNTS

The budget was prepared by the school jurisdiction and approved by the Board of Trustees. It is presented for information purposes only. These financial statements contain the amended budget details as approved by the Board.

16. COMPARATIVE FIGURES

The comparative figures have been reclassified where necessary to conform to the 2005 presentation.

17. INDEBTEDNESS

a) Line of Credit

The jurisdiction has negotiated a line of credit in the amount of $2,500,000 that bears interest at bank prime less 1/2%. This line of credit, which is secured by a borrowing bylaw and a security agreement, covers all revenue of the jurisdiction. There was no balance outstanding on the line of credit at August 31, 2005.

b) Credit Card

The jurisdiction has approved a combined credit card charge limit of $160,000. The credit cards are assigned to various individuals throughout the school jurisdiction and have varying credit limits. The balances are paid in full each month by the due date and no interest charges were incurred during the year. The combined credit card balance outstanding at August 31, 2005 was nil.

18. ECONOMIC DEPENDENCE

St. Paul Education Regional Division No. 1's primary source of income is from the Alberta Government. The Division's ability to continue viable operations is dependent on this funding.

SCHEDULE A to the AFS

School Jurisdiction Cod 2185

ALLOCATION OF REVENUES AND EXPENSES TO PROGRAMS - 2004-2005

	REVENUES	TOTAL	ECS to Grade 12 Instruction	Operations and Maintenance of Schools & Maintenance Shops	Transportation	Board & System Admin.	External Services
(1)	**Alberta Education Revenues**	$24,115,894	$19,424,884	$1,191,708	$2,303,116	$1,196,186	
	Alberta Infrastructure and Transportation						
(2)	Infrastructure Maintenance Program & Portable Relocations support	$306,691	$0	$306,691			
(3)	Regular Operations & Maintenance support	$1,668,392		$1,668,392			
(4)	Other support	$116,341	$0	$116,341			
(5)	**Total Alberta Infrastructure and Transportation Revenues**	$2,091,424	$0	$2,091,424			
(6)	**Alberta Finance**	$373,826		$373,826			$0
(7)	**Other - Government of Alberta**	$17,331	$12,531	$4,800	$0	$0	
(8)	**Federal Government and/or First Nations**	$8,002,242	$6,718,482	$938,137	$11,551	$334,072	$0
(9)	**Other Alberta school authorities**	$0			$0	$0	$0
(10)	**Out of province authorities**	$0		$0	$0	$0	$0
(11)	**Alberta municipalities** (excl. supplementary requisitions)	$0		$0	$0	$0	
(12)	**Instruction resource fees**	$238,572	$238,572				
(13)	**Transportation fees**	$50,467			$50,467		
(14)	**Other sales and services**	$235,676	$212,076	$13,630	$2,492	$7,478	$0
(15)	**Investment income**	$163,725	$125,587	$19,840	$11,189	$7,109	$0
(16)	**Gifts and donations**	$0			$0		$0
(17)	**Rentals of facilities**	$73,923	$0	$50,377	$23,546	$0	$0
(18)	**Net school generated funds**	$520,367	$520,367			$0	
(19)	**Gains on disposal of capital assets**	$0	$0		$0	$0	$0
(20)	**Amortization of capital allocations**	$701,465	$115,556	$585,909	$0		$0
(21)	**TOTAL REVENUES**	$36,584,912	$27,368,055	$5,269,651	$2,402,361	$1,544,845	$0
	EXPENSES						
(22)	**Certificated salaries**	$18,056,541	$17,694,276			$362,265	$0
(23)	**Certificated benefits**	$1,912,268	$1,865,794			$46,474	$0
(24)	**Uncertificated salaries and wages**	$6,894,200	$4,572,885	$1,441,146	$375,993	$504,176	
(25)	**Uncertificated benefits**	$1,383,889	$958,344	$273,409	$48,362	$103,774	
(26)	**SUB - TOTAL**	$28,246,898	$25,091,299	$1,714,555	$424,355	$1,016,689	$0
(27)	**Services, contracts & supplies**	$6,695,156	$2,199,923	$2,374,539	$1,700,615	$420,079	
(28)	**Cost recoveries & charges to programs**	$0	$0	$0	$0		$0
(29)	**Net school generated funds**	$520,367	$520,367				
	Capital and debt services						
	Amortization of capital assets						
(30)	Supported	$701,465	$115,556	$585,909	$0	$0	$0
(31)	Unsupported	$416,345	$211,031	$31,690	$145,425	$28,199	$0
(32)	Total Amortization	$1,117,810	$326,587	$617,599	$145,425	$28,199	$0
	Interest on capital debt						
(33)	Supported	$373,826	$0	$373,826	$0	$0	$0
(34)	Unsupported	$0		$0			$0
(35)	Other interest charges	$2,435	$0	$0	$0	$2,435	$0
(36)	Losses on disposal of capital assets	$13,780	$0	$13,780	$0	$0	$0
(37)	**TOTAL EXPENSES**	$36,970,272	$28,138,176	$5,094,299	$2,270,395	$1,467,402	$0
(38)	**SURPLUS (DEFICIT) BEFORE EXTRAORDINARY ITEM**	($385,360)	($770,121)	$175,352	$131,966	$77,443	$0

School Jurisdiction Code: 2185

SCHEDULE B to the AFS

ALBERTA EDUCATION REVENUES 2004-2005

	TOTAL
Base Funding	
Early Childhood Services (ECS)	$555,968
Base Instruction (Gr 1-12)	$13,753,753
Outreach Programs	$52,020
Home Education	$2,482
Differential Cost Funding *	$7,514,442
Other Provincial Support	
Institutional Programs	$0
Regional Consortium (6 boards) and Regional Educational Consulting Services (4 boards)	$0
Learning Resources Credit	$33,329
Federal French Funding	$31,369
Provincial Priority Targeted Funding	
Class Size Initiative	$399,923
Student Health Initiative (SHI)	
Alberta Initiative for School Improvement (AISI)	$316,873
High Speed Networking	$14,405
Children and Youth with Complex Needs	$0
Other Alberta Education Revenues (describe) O&M1191708,Lic4390 ,ppa39790,text69000,Hutt 20000;pilot55440,vid60000,aisi	$1,441,330
Total Alberta Education Revenues	$24,115,894

* Differential Cost Funding is based on distribution formulas designed to address variable cost factors and incremental costs associated with other variables and specific student populations Included in differential cost funding are allocations for students with severe disabilities, English as a second language students, Francisation and support services for immigrant students, aboriginal students, gifted & talented early childhood services children and those with mild or moderate or severe disabilities, the percentage of the student population experiencing low socio-economic status, small schools by necessity, intra-jurisdiction distances, year to year enrolment fluctuations, small school board administration, schools located in the north, boarding, transportation, stabilization of funding, and cost differences among school jurisdictions for purchasing goods and services

School Jurisdiction Code: 2185

SCHEDULE C the AFS

ECS to Grade 12 INSTRUCTION PROGRAMS Expense Details - 2004-2005

SUB-PROGRAMS & INITIATIVES	ECS to GRADE 12 Instruction						
	Certificated Remuneration	Uncertificated Remuneration	Services, Contracts & Supplies [1]	Learning Resources	Cost Recoveries & Transfers	Other Expenses [2]	TOTAL EXPENSES
School Administration & All Instruction Support	$1,983,684	$1,176,370	$299,880		$0	$846,954	$4,306,888
Mild & Moderate Disabilities/Gifted & Talented (ECS-12)	$528,986	$302,862	$22,935		$0		$854,783
ECS Program Unit (PUF)	$16,410	$200,349	$59,841		$0		$276,600
Severe Disabilities (Gr 1-12)	$133,112	$2,571,346	$79,995		$0		$2,784,453
English as a Second Language	$46,142	$5,220	$4,027		$0		$55,389
French Language Program & Francisation (all jurisdictions)					$0		$0
First Nations, Metis and Inuit Education (ECS - Gr 12)	$43,650	$287,895	$76,421		$0		$407,966
Home Education					$0		$0
Institutional Programs					$0		$0
Alberta Initiative for School Improvement	$101,140	$127,556	$109,561	$69,338	$0		$407,595
Student Health Initiative	$0				$0		$0
High Speed Networking			$14,714		$0		$14,714
Class Size	$401,830	$0	$0	$0	$0		$401,830
Children and Youth with Complex Needs (ECS - Gr 12)	$0	$0	$0		$0		$0
All Other Student Instruction Expenses (ECS - Gr 12)	$16,305,116	$859,631	$535,024	$928,187	$0	$0	$18,627,958
TOTAL EXPENSES	$19,560,070	$5,531,229	$1,202,398	$997,525	$0	$846,954	$28,138,176

FULL-TIME-EQUIVALENCIES (Board/Contract)	FTE Certificated	FTE Uncertificated
Mild & Moderate Disabilities/Gifted & Talented (ECS - Gr 12	6.8	12.3
ECS Program Unit (PUF)	0.2	8.9
Severe Disabilities (Gr 1-12)	1.9	123.5

Note 1 Excludes Learning Resources.

Note 2 Includes Net School Generated Funds, Amortization, Interest, and Losses on Disposal of Instruction Program Capital Assets.

School Jurisdiction Code: 2185

SCHEDULE D to the AFS
CALCULATION OF MAXIMUM ELIGIBLE EXPENSE LIMIT FOR BOARD (GOVERNANCE) AND SYSTEM ADMINISTRATION - 2004-2005

TOTAL EXPENSES	**$36,970,272**

STEP 1

Calculation of maximum expense limit PERCENTAGE for Board and System Administration expenses

If "Total Net Enrolled Students" are 6,000 and over	= 4%	**5.11%**
If "Total Net Enrolled Students" are 2,000 and less	= 6%	

The Maximum Expense Limit for Board and System Administration is based on an arithmetical proration for the TOTAL FTE count for grades 1 -12, net of Home Education AND Adult students, between 2,000 to 6,000 at .0005 per FTE

EXAMPLE: 4,500 FTE count grades 1-12 = 6,000 - 4,500 = 1,500 X .0005 = .75% plus 4% = maximum expense limit of 4.75%

Note: Calculation unnecessary if Total FTE is 6,000 or more, and 2,000 & less

STEP 2

Calculate maximum expense limit AMOUNTS for Board and System Administration expenses

Maximum Expense Limit percentage (Step 1) x TOTAL EXPENSES		$1,889,181
Considerations for Charter Schools and Small School Boards:		
If **Charter School**, enter $56,100	$0	$0
If **School Board**, please enter your 04-05 Gr 1- 12 funded enrolment	0	
	$0	$0
MAXIMUM EXPENSE LIMIT		**$1,889,181**

STEP 3

Compare maximum expense limit amounts calculated in Step 2 to actual expenses (from Schedule A)

Actual Board Governance & System Administration expenses	$1,467,402
PLUS transfers to Restricted - Operating (Board/System Administration)	$0
LESS transfers from Restricted - Operating (Board/System Administration)	$0
TOTAL BOARD GOVERNANCE & SYSTEM ADMINISTRATION EXPENSES	$1,467,402
MAXIMUM EXPENSE LIMIT	$1,889,181
ACTUAL EXPENSES - OVER(UNDER) MAXIMUM EXPENSE LIMIT	-$421,779

School Jurisdiction Code: 2185

SCHEDULE E to the AFS
SOURCE & APPLICATION OF SCHOOL GENERATED FUNDS (SGF) - 2004-2005

Unexpended SGF - Opening Balance August 31, 2004 (Note 1)				$367,722
Source of Net School Generated Funds:	**Gross SGF**	**Related Expenses**	**Net SGF**	
Fundraising activities	$865,624	$511,919	$353,705	
Student fees (Non-Instructional) (Note 2)	$189,971		$189,971	
Donations and grants to schools	$33,992		$33,992	
Other (describe)	$21,761		$21,761	
Net Additions to SGF	$1,111,348	$511,919		$599,429
Net SGF Available for Discretionary Spending				$967,151
Application of Net School Generated Funds:				
Extra-curricular activities			$344,885	
School beautification				
Field Trips			$75,668	
Equipment			$27,224	
Family literacy and other community resources				
Other (describe)			$72,590	
Net SGF Expended for Discretionary Purposes (Note 3)				$520,367
Unexpended SGF - Closing Balance August 31, 2005 (Note 4)				$446,784

School Generated Funds (SGF) are funds raised in the community for student activities that come under the control and responsibility of school management. These funds are usually collected and retained at the school for expenditures paid at the school level. SGF does not include fees with respect to instructional supplies or materials collected pursuant to Section 60(2)(j) of the *School Act*, and any other funds collected at the school but remitted to central office and accounted for by the jurisdiction (facility rentals, capital assets purchases, etc.)

Note 1 Input "(Restated)" beside Balance at August 31, 2004 where not taken from the finalized 2003-2004 Audited Financial Statements

Note 2 Excludes fees collected pursuant to Section 60(2)(j) of the School Act (fees with respect to instructional supplies or materials - essentially textbooks, resource materials in lieu of textbooks, media, software, and materials for classrooms) Amounts collected for CEU-related activities are recorded as instruction resource fees, not SGF

Note 3 Net SGF Expended for Discretionary Purposes is recorded as revenue and expense in the Statement of Revenues & Expenses

Note 4 Unexpended SGF is carried forward to the Statement of Financial Position

School Jurisdiction Code: 2185

SCHEDULE F to the AFS
Operations and Maintenance Program Expenses - 2004-2005

EXPENSES	Custodial	Maintenance	Utilities and Telecommunications	Expensed Mod./I.M.P. & Portable Relocations	Facility Planning & Operations Administration	SUB-TOTAL Operations & Maintenance	Supported Capital & Debt Services	TOTAL Operations and Maintenance
Uncertificated salaries and wages	$921,051	$379,719	$0	$0	$140,376	$1,441,146		$1,441,146
Uncertificated benefits	$174,931	$71,022	$0	$0	$27,456	$273,409		$273,409
Sub-total Remuneration	$1,095,982	$450,741	$0	$0	$167,832	$1,714,555		$1,714,555
Contracted Services	$71,037	$450,581	$0	$409,282	$27,782	$958,682		$958,682
Supplies	$100,577	$359,181	$0			$459,758		$459,758
Electricity			$424,559			$424,559		$424,559
Natural Gas/Heating Fuel			$395,389			$395,389		$395,389
Sewer and Water			$41,726			$41,726		$41,726
Telecommunications			$18,376			$18,376		$18,376
Insurance					$76,049	$76,049		$76,049
Amortization of capital assets								
Supported							$585,909	$585,909
Unsupported						$31,690		$31,690
Total Amortization						$31,690	$585,909	$617,599
Interest on capital debt								
Supported							$373,826	$373,826
Unsupported				$0				$0
Other interest charges								$0
Losses on disposal of capital assets						$13,780		$13,780
Cost recoveries & transfers								$0
TOTAL EXPENSES	$1,267,596	$1,260,503	$880,050	$409,282	$271,663	$4,134,564	$959,735	$5,094,299
SQUARE METRES								
School Buildings								62,442.0
Non School Buildings								1,404.0
UNCERTIFICATED FTE'S (Board/Contract)	30.5	6.0						

Notes:

Custodial:	All expenses related to activities undertaken to keep the school environment clean and safe
Maintenance:	All expenses associated with the repair, replacement and minor construction of buildings, grounds and equipment components. This includes regular and preventative maintenance undertaken to ensure components reach or exceed their life cycle and the repair of broken components
Utilities & Telecommunications:	All expenses related to electricity, natural gas and other heating fuels, sewer and water and all forms of telecommunications
Expensed Block Mod/I.M.P. & Portable Relocations:	All expenses associated with non-capital activites related to Block Modernization, Infrastructure Maintenance Programs (AKA Building Quality Restoration Program) and portable relocations
Facility Planning & Operations Administration:	All expenses related to the administration of operations and maintenance including (but not limited to) contract administration, clerical functions, negotiations, supervision of employees and contractors, administration of capital projects (including new schools, I.M.P., block modemization and portable relocations), administration of joint-use agreements, and all expenses related to ensuring compliance with health and safety statndards, codes and government regulations
Supported Capital & Debt Services:	All expenses related to supported capital assets amortization and interest on supported capital debt

School Jurisdiction Code: 2185

SCHEDULE G to the AFS
DISCLOSURE OF SALARIES AND BENEFITS - 2004-2005
(SECTION 148.1 OF THE SCHOOL ACT)

		FTEs	Remuneration	Benefits	Allowances	Performance Bonuses	ERIP's / Other	Total	Expenses
Chairperson:									
Name	Lorne Buryn	0 1	$1,263	$612	$0			$1,875	
Name	Terry LaBoucane	1 0	$15,730	$75	$0			$15,805	$2,596
Other Board Members:									
Name	Shelley Dyck	0 1	$1,563	$471	$0			$2,034	$623
Name	Rhea Looy	1 0	$13,900	$2,853	$0			$16,753	$5,941
Name	Doug Millar	0 9	$11,728	$3,228	$0			$14,956	$5,669
Name	Deb Pederson	0 9	$13,633	$3,315	$0			$16,948	$8,668
Name	Ron Rudkowsky	1 0	$14,110	$1,077	$0			$15,187	$7,425
Name	Ed Sosnowski	0 1	$1,038	$519	$0			$1,557	$58
Name	Steve Upham	0 9	$12,733	$3,279	$0			$16,012	$7,456
Name	Darrell Younghans	1 0	$13,140	$3,884	$0			$17,024	$4,970
Name					$0			$0	
Name					$0			$0	
Name					$0			$0	
Name		0 0	$0	$0	$0			$0	$0
Name		0 0	$0	$0	$0			$0	$0
Name		0 0	$0	$0	$0			$0	$0
Name		0 0	$0	$0	$0			$0	$0
Name		0 0	$0	$0	$0			$0	$0
Name		0 0	$0	$0	$0			$0	$0
Name		0 0	$0	$0	$0			$0	$0
Name		0 0	$0	$0	$0			$0	$0
Subtotal		*7 0*	*$98,838*	*$19,313*	*$0*			*$118,151*	*$43,406*
Superintendent	Douglas Yeo	1 0	$113,974	$13,899	$0	$0	$0	$127,873	$14,165
Superintendent		0 0			$0	$0	$0	$0	
Secretary/Treasurer	Jean Champagne	1 0	$93,902	$21,402	$0	$0	$0	$115,304	$3,934
Secretary/Treasurer		0 0			$0	$0	$0	$0	$0
Board Secretary					$0	$0	$0	$0	
Board Secretary		0 0			$0	$0	$0	$0	$0
Board Treasurer					$0	$0	$0	$0	
Board Treasurer		0 0	$0	$0	$0	$0	$0	$0	$0
Certificated Salaries		267 5	$17,942,567	$1,898,369	$0	$0	$0	$19,840,936	
Uncertificated Salaries & Wages		302 2	$6,701,460	$1,343,174	$0	$0	$0	$8,044,634	
TOTALS			**$24,950,741**	**$3,296,157**	**$0**	**$0**	**$0**	**$28,246,898**	

Note: Please refer to completion information on page 15

School Jurisdiction Code: 0020

AUDITED
FINANCIAL STATEMENTS
and Supporting Schedules
FOR THE YEAR ENDED AUGUST 31, 2005

[School Act, Sections 147(2)(a), 148, 151(1) and 276]

St. Thomas Aquinas Roman Catholic Separate Regional Division No. 38
Legal Name of School Jurisdiction

4906 - 49 Avenue, Leduc AB T9E 6W4
Mailing Address

Telephone (780) 986-2500 Fax (780) 986-8620
Telephone and Fax Numbers

SCHOOL JURISDICTION MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The financial statements and supporting schedules St. Thomas Aquinas Roman Catholic Separate Regional Division No. 38
(Name of School Jurisdiction)

presented to Alberta Learning have been prepared by school jurisdiction management which has responsibility for their preparation, integrity and objectivity. The financial statements and schedules, including notes, have been prepared in accordance with generally accepted accounting principles and Ministerial requirements for Alberta school jurisdictions.

In fulfilling its reporting responsibilities, management has maintained internal control systems and procedures designed to provide reasonable assurance that the school jurisdiction's assets are safeguarded, that transactions are executed in accordance with appropriate authorization and that accounting records may be relied upon to properly reflect the school jurisdiction's transactions. The effectiveness of the control systems is supported by the selection and training of qualified personnel, an organizational structure that provides an appropriate division of responsibility and a strong budgetary system of control.

Board of Trustees Responsibility
The ultimate responsibility for the financial statements lies with the Board of Trustees. The Board reviewed the financial statements with management in detail and the Board approved the financial statements for release.

External Auditors
The Board appoints external auditors to audit the financial statements and meets with the auditors to review their findings. The external auditors have full and free access to school jurisdiction records.

Declaration of Management and Board Chairman
To the best of our knowledge and belief, these financial statements and supporting schedules reflect, in all material respects, the financial position and results of operations and cash flows for the year in accordance with generally accepted accounting principles and Ministerial requirements for Alberta school jurisdictions.

BOARD CHAIRMAN

Mr. Fred Calkins — Name
"ORIGINAL SIGNED" — Signature

SUPERINTENDENT

Mr. Jamie MacNamara — Name
"ORIGINAL SIGNED" — Signature

SECRETARY TREASURER OR TREASURER

Mr. Jeff Redmond — Name
"ORIGINAL SIGNED" — Signature

23-Nov-05
Board-approved Release Date

c.c. **ALBERTA EDUCATION, School Reporting Branch,**
8th Floor Commerce Place, 10155-102 Street, Edmonton AB T5J 4L5
EMAIL: Cindy.Jarry@gov.ab.ca
PHONE: (780) 427-7782 FAX: (780) 422-6996

Grant Thornton LLP
Chartered Accountants
Management Consultants

Grant Thornton

Auditors' Report

To the Board of Trustees of
St. Thomas Aquinas Roman Catholic Separate Regional Division No. 38

We have audited the statement of financial position of the St. Thomas Aquinas Roman Catholic Separate Regional Division No. 38 as at August 31, 2005 and the statements of revenues and expenses, cash flows, changes in net assets and capital allocations for the year then ended. These financial statements are the responsibility of the school jurisdiction's management. Our responsibility is to express an opinion on these financial statements based on our audit.

Except as explained in the following paragraph, we conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance as to whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In common with many non-profit organizations, the school jurisdiction derives revenues from certain fund raising activities, the completeness of which is not readily susceptible of satisfactory audit verification. Accordingly, our verification of these revenues was limited to the amounts recorded in the records of the school jurisdiction and we were not able to determine whether any adjustments might be necessary to school generated funds, excess of revenues over expenses, assets, liabilities and net assets.

In our opinion, except for the effect of adjustments, if any, which we may have determined to be necessary had we been able to audit the completeness of school generated funds, as discussed in the above paragraph, these financial statements present fairly, in all material respects, the financial position of the school jurisdiction as at August 31, 2005 and the results of its operations, changes in cash flows, net assets and capital allocations for the year then ended in accordance with Canadian generally accepted accounting principles.

Our audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplementary information included in Schedules A through G is presented for the purposes of additional analysis and is not a required part of the basic financial statements. Such supplementary information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

Grant Thornton LLP

Chartered Accountants

Wetaskiwin, Canada
November 10, 2005

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Canadian Member of Grant Thornton International

School Jurisdiction Code: 0020

STATEMENT OF FINANCIAL POSITION

as at August 31, 2005

(in dollars)

		2005	2004 Restated (Note 15)
ASSETS			
Current assets			
Cash and temporary investments		$486,418	$2,923,851
Accounts receivable (net after allowances)		$3,297,147	$2,413,706
Prepaid expenses		$259,722	$336,601
Other current assets		$30,000	$30,000
Total current assets		$4,073,287	$5,704,158
School generated assets		$141,838	$165,507
Trust assets		$21,555	$20,438
Long term accounts receivable		$0	$0
Long term investments		$0	$0
Capital assets			
Land		$669,686	$669,686
Buildings	$32,707,327		
Less: accumulated amortization	($9,974,243)	$22,733,084	$22,653,368
Equipment	$1,562,464		
Less: accumulated amortization	($648,827)	$913,637	$546,878
Vehicles	$119,377		
Less: accumulated amortization	($91,084)	$28,293	$41,162
Total capital assets		$24,344,700	$23,911,094
TOTAL ASSETS		$28,581,380	$29,801,197
LIABILITIES			
Current liabilities			
Bank indebtedness		$0	$0
Accounts payable and accrued liabilities		$1,345,063	$2,381,265
Deferred revenue		$473,989	$486,404
Deferred capital allocations		$0	$121,293
Current portion of all long term debt		$617,425	$645,425
Total current liabilities		$2,436,477	$3,634,387
School generated liabilities		$141,838	$165,507
Trust liabilities		$21,555	$20,438
Employee future benefits liability		$0	$0
Long term payables and accrued liabilities		$0	$0
Long term debt			
Supported: Debentures and other supported debt		$4,556,431	$5,201,856
Less: Current portion of supported debt		($617,425)	($645,425)
Unsupported: Debentures and Capital Loans		$0	$0
Capital Leases		$0	$0
Mortgages		$0	$0
Less: Current portion of unsupported debt		$0	$0
Unamortized capital allocations		$18,498,769	$17,631,210
Total long term liabilities		$22,601,168	$22,373,586
TOTAL LIABILITIES		$25,037,645	$26,007,973
NET ASSETS			
Unrestricted net assets		$0	$0
Operating Reserves		$2,254,235	$2,715,196
Accumulated Operating Surplus (Deficit)		$2,254,235	$2,715,196
Investment in capital assets		$1,289,500	$1,078,028
Capital Reserves		$0	$0
Total Capital Funds		$1,289,500	$1,078,028
Total net assets		$3,543,735	$3,793,224
TOTAL LIABILITIES AND NET ASSETS		$28,581,380	$29,801,197

Note: Input "(Restated)" in 2004 column heading where comparatives are not taken from the finalized 2003-2004 Audited Financial Statements.

School Jurisdiction Code: 0020

STATEMENT OF REVENUES AND EXPENSES

for the Year Ended August 31, 2005

(in dollars)

	Actual 2005	Budget 2005	Actual 2004
REVENUES			
Government of Alberta	$15,825,739	$15,279,751	$14,687,784
Federal Government and/or First Nations	$1,179,069	$1,080,858	$1,125,663
Other Alberta school authorities	$0	$0	$0
Out of province authorities	$0	$0	$31,700
Alberta Municipalities (excluding supplementary requisitions)	$0	$0	$0
Instruction resource fees	$159,492	$119,016	$105,865
Transportation fees	$15,546	$16,000	$14,375
Other sales and services	$32,142	$43,000	$14,086
Investment income	$39,597	$55,000	$60,861
Gifts and donations	$80	$0	$0
Rentals of facilities	$2,500	$0	$3,795
Net school generated funds	$547,434	$428,657	$430,525
Gains on disposal of capital assets	$0	$0	$0
Amortization of capital allocations	$1,233,806	$676,798	$749,209
Total Revenues	$19,035,405	$17,699,080	$17,223,863
EXPENSES			
Certificated salaries	$9,464,038	$8,770,008	$8,363,175
Certificated benefits	$1,003,701	$1,070,844	$920,253
Uncertificated salaries and wages	$2,296,864	$2,229,425	$2,161,283
Uncertificated benefits	$472,758	$442,192	$430,572
Services, contracts and supplies	$3,465,106	$3,754,699	$2,800,798
Net school generated funds	$547,434	$428,657	$430,525
Capital and debt services			
Amortization of capital assets			
Supported	$1,177,850	$676,798	$749,209
Unsupported	$160,509	$101,721	$128,735
Total Amortization of capital assets	$1,338,359	$778,519	$877,944
Interest on capital debt			
Supported	$490,635	$528,516	$560,249
Unsupported	$0	$0	$0
Total Interest on capital debt	$490,635	$528,516	$560,249
Other interest charges	$0	$0	$0
Losses on disposal of capital assets	$205,999	$0	$0
Total Expenses	$19,284,894	$18,002,860	$16,544,799
SURPLUS (DEFICIT) OF REVENUES OVER EXPENSES BEFORE EXTRAORDINARY ITEM	($249,489)	($303,780)	$679,064
Extraordinary Item	$0	$0	$0
SURPLUS (DEFICIT) OF REVENUES OVER EXPENSES	($249,489)	($303,780)	$679,064

Note: Input "(Restated)" in Budget 2005 and/or Actuals 2004 column headings where comparatives are not taken from the respective finalized 2004-2005 Budget Report and/or finalized 2003-2004 Audited Financial Statements.

School Jurisdiction Code: 0020

STATEMENT OF CASH FLOWS

for the Year Ended August 31, 2005

(in dollars)

	2005	2004
CASH FLOWS FROM:		
A. OPERATIONS		
Surplus (deficit) of revenues over expenses for the year	($249,489)	$679,064
Add (Deduct) items not requiring cash:		
Amortization of capital allocations revenue	($1,233,806)	($749,209)
Total amortization expense	$1,338,359	$877,944
Gains on disposal of capital assets	$0	$0
Losses on sale of capital assets	$205,999	$0
Changes in accrued accounts:		
Accounts receivable	($883,441)	($857,468)
Prepaids and other current assets	$76,879	$20,997
Long term accounts receivable	$0	$0
Long term investments	$0	$0
Payables and accrued liabilities	($1,036,202)	$359,778
Deferred revenue	($12,415)	($12,258)
Employee future benefit expense (recovery)	$0	$0
Other (describe)	$0	$0
Total sources (uses) of cash from Operations	($1,794,116)	$318,848
B. INVESTING ACTIVITIES		
Purchases of capital assets		
Land	$0	$0
Buildings	($1,930,753)	($5,442,572)
Equipment	($678,111)	($499,051)
Vehicles	($20,005)	$0
Net proceeds from disposal of capital assets	$6,226	$0
Other (describe)	$0	$0
Total sources (uses) of cash from Investing activities	($2,622,643)	($5,941,623)
C. FINANCING ACTIVITIES		
Capital allocations	$1,979,326	$205,918
Issue of long term debt	$0	$0
Repayment of long term debt	($645,425)	($645,425)
Add back: supported portion	$645,425	$645,425
Other (describe)	$0	$0
Total sources (uses) of cash from Financing activities	$1,979,326	$205,918
Net sources (uses) of cash during year	($2,437,433)	($5,416,857)
Cash and temporary investments, net of bank indebtedness, at Aug. 31/04	$2,923,851	$8,340,708
Cash and temporary investments, net of bank indebtedness, at Aug. 31/05	$486,418	$2,923,851

Note: 1 Input "(Restated)" in 2004 column heading where not taken from the finalized 2003-2004 Audited Financial Statements

2 Cash and temporary investments are net of cash obligations.

School Jurisdiction 0020

STATEMENT OF CHANGES IN NET ASSETS
for the Year Ended August 31, 2005

(in dollars)

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
	TOTAL NET ASSETS Cols. 2+3+4	INVESTMENT IN CAPITAL ASSETS	UNRESTRICTED NET ASSETS	TOTAL INTERNALLY RESTRICTED NET ASSETS Cols. 5 to 14	INTERNALLY RESTRICTED NET ASSETS									
					School Based		Infrastructure		Board & System Admin.		Transportation		External Services	
					Operating Reserves	Capital Reserves	O& M Operating Reserves	Capital Reserves	Operating Reserves	Capital Reserves	Operating Reserves	Capital Reserves	Operating Reserves	Capital Reserves
Balance at August 31, 2004	$3,793,224	$1,078,028	$0	$2,715,196	$2,372,120	$0	$77,942	$0	$241,741	$0	$23,393	$0	$0	$0
Prior period adjustments (describe)														
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Adjusted Balance,Aug.31, 2004	$3,793,224	$1,078,028	$0	$2,715,196	$2,372,120	$0	$77,942	$0	$241,741	$0	$23,393	$0	$0	$0
Surplus(def) of revenue over expense	($249,489)		($249,489)											
Board funded capital transactions		$528,254	($492,290)	($35,964)	$0	$0	$0	$0	($35,964)	$0	$0	$0	$0	$0
Direct credits to net assets	$0	$0												
Amortization of capital assets		($1,338,359)	$1,338,359											
Amortization of capital allocations		$1,233,806	($1,233,806)											
Disposal of unsupported capital asset	$0	($212,229)	$212,229	$0		$0		$0		$0		$0		$0
Disposal of supported capital assets (board funded portion)	$0	$0	$0	$0		$0		$0		$0		$0		$0
Debt principal payments (unsupported)		$0	$0											
Net transfers to operating reserves			($179,507)	$179,507	$110,459		$37,552		$26,659		$0		$4,837	
Net transfers from operating reserves			$604,504	($604,504)	($513,372)		$0		($67,739)		($23,393)		$0	
Net transfers to capital reserves			$0	$0		$0		$0		$0		$0		$0
Net transfers from capital reserves			$0	$0		$0		$0		$0		$0		$0
Balance at August 31, 2005	$3,543,735	$1,289,500	$0	$2,254,235	$1,969,207	$0	$115,494	$0	$164,697	$0	$0	$0	$4,837	$0

School Jurisdiction Code: 0020

STATEMENT OF CAPITAL ALLOCATIONS
(SUPPORTED CAPITAL FINANCING ONLY)
for the Year Ended August 31, 2005

(in dollars)

	Deferred Capital Allocations	Unamortized Capital Allocations
Balance at August 31, 20	$121,293	$17,631,210
Prior period adjustment	$0	$0
Adjusted balance, August 31, 2004	$121,293	$17,631,210
Add:		
Capital allocations from: Infrastructure and Transportation-New/Modernization Projects	$1,979,283	
Other Government of Alberta	$0	
Federal Government and/or First Nations	$0	
Other sources	$0	
Interest earned on provincial government capital allocations	$42	
Other capital grants and donations	$0	
Proceeds on disposal of supported capital assets	$1	
Insurance proceeds	$0	
Donated capital assets (amortizable, at Fair Market Value)		$0
Transferred in capital assets (amortizable, at Net Book Value)		($644,679)
Current Year Debenture Principal Repayment		$645,425
Expended capital allocations - current year	($2,100,619)	$2,100,619
Less:		
Unamortized Capital Allocation affected by a disposal through transfer out		$0
Capital allocations amortized to revenue		$1,233,806
Balance at August 31, 2005	$0	$18,498,769

1. Authority and purpose

The School Jurisdiction delivers education programs under the authority of the *School Act*, Revised Statutes of Alberta 2000, Chapter S-3.

The jurisdiction receives block allocations for instruction and support under Regulation 77/2003. The regulation allows for the setting of conditions and use of grant monies. The School Jurisdiction is limited on administration expenses and is permitted to reallocate funding within the Alberta Learning instruction and support block areas.

As a not-for-profit organization under the Income Tax Act, the School Division is not subject to either federal or provincial income taxes.

2. Summary of significant accounting policies

These financial statements have been prepared in accordance with Canadian generally accepted accounting principles (GAAP) and accounting policies consistent with those prescribed by Alberta Learning for Alberta school jurisdictions. The precise determination of many assets and liabilities is dependent on future events. As a result, the preparation of financial statements for a period involves the use of estimates and approximations, which have been made using careful judgment. Actual results could differ from those estimates and approximations. The financial statements have, in management's opinion, been properly prepared within reasonable limits of materiality and within the framework of the accounting policies summarized below:

Revenue recognition

The St. Thomas Aquinas Roman Catholic Separate Regional Division #38 follows the deferral method of accounting for contributions.

Revenue is recognized as follows:

Instruction and support allocations are recognized in the year to which they relate.

Fees for services related to courses and programs are recognized as revenue when such courses and programs are delivered.

Unrestricted contributions are recognized as revenue when received or receivable. Contributions in-kind are recorded at fair market value when reasonably determinable.

Externally restricted contributions are deferred and recognized as revenue in the period in which the restriction is complied with.

2. Summary of significant accounting policies (continued)

Capital assets

Capital assets are recorded at cost. Donated capital assets are recorded at fair market value at the date of the contribution. Amortization is provided on a straight line basis over the assets' estimated useful lives at the following rates:

Buildings	2.5% to 10%
Equipment and vehicles	20%

Only capital assets with costs in excess of $5,000 are capitalized. Any capital allocations received for asset additions are amortized over the same period as the related asset.

School generated funds

These are the funds in the community, which come under the control and responsibility of the school principal and are for school activities. These funds are usually collected and retained at the school for expenditures paid at the school level (e.g. yearbook sales, graduation fees, field trip fees, etc.).

Vacation pay

Vacation pay is accrued in the period in which the employee earns the benefit.

Pensions / Retirement Savings Plans

The current service and past service costs of the Alberta Teacher Retirement Fund are met by contributions by active members and the Government of Alberta. Under the terms of the Teachers Pension Plan Act, the St. Thomas Aquinas Roman Catholic Separate Regional Division does not make pension contributions for certificated staff.

For uncertificated staff, the school jurisdiction contributes to employee's registered retirement savings plans, based upon a percentage of the employee's normal annual salary. The employer expense is recorded as a benefit cost in the period the obligation arises.

2. Summary of significant accounting policies (continued)

Prepaid expenses

Certain expenditures incurred and paid before the close of the school year are for specific school supplies, which will be consumed subsequent to the year-end, and are accordingly recorded as prepaid expenses. Certain insurance expenses fall into this category.

Contributed services

Volunteers contribute a considerable number of hours per year to various schools, which are within the school board to ensure that certain programs are delivered, such as kindergarten, lunch services, and the raising of school generated funds. Because of the difficulty of compiling these hours and the fact that these services are not otherwise purchased, contributed services are not recognized in the financial statements.

Financial instruments

The jurisdictions financial instruments consist of cash, accounts receivable, accounts payable, accrued liabilities, and long-term debt. It is management's opinion that the jurisdiction is not exposed to significant interest, currency or credit risks arising from these financial instruments. Unless otherwise noted, the fair values of these financial instruments approximate their carrying values. The jurisdiction has invested surplus funds in accordance with Section 60 of the School Act and Section 5 of the Trustees Act.

Operating and capital reserves

Reserves are established at the discretion of the Board of Trustees of the Regional Division or externally, to set aside funds for operating and for future capital expenditures. Such reserves are appropriations of accumulated surplus.

3. Cash and cash equivalents

Cash and cash equivalents include balances internally and externally restricted as follows:

	2005	2004
Externally restricted		
Capital projects – Deferred Capital Allocations	$ -	$ 121,293
Operations – Deferred Revenue	473,989	486,404
Internally restricted		
Operating reserves	12,429	2,316,154
	$ 486,418	$ 2,923,851

4. Accounts receivable

	2005	2004
Province of Alberta	$2,664,563	$1,515,142
Federal Government	280,628	520,486
Alberta Municipalities	281,575	308,871
Other	70,381	69,207
Total	$3,297,147	$2,413,706

5. Accounts payable and liabilities

	2005	Restated 2004
Province of Alberta	$ 576,056	$ 638,612
Federal Government	8,903	12,046
Other trade payables and accrued liabilities	760,104	1,730,607
Total	$ 1,345,063	$2,381,265

6. Deferred revenue

	2005	2004
Infrastructure maintenance program	$ 178,671	$ 193,839
Block modernization	261,668	253,365
Lease incentive	33,300	38,850
School fees	350	350
Total	$ 473,989	$ 486,404

7. Trust assets and liabilities

	2005	2004
Kneival Trust Fund	$ 20,905	$ 20,438
Taylor J. Bourque Memorial Fund	650	-
Total	$ 21,555	$ 20,438

8. Long term debt

Debenture debt - supported

The debenture debt bears interest at rates varying between 8% and 12%. The debenture debt is fully supported by Alberta Finance. The current portion of long-term debt consists entirely of amounts payable by Alberta Finance on supported debt; therefore, the working capital (current assets minus current liabilities) is understated by this amount. Debenture payments due over the next five years and beyond are as follows:

8. Long term debt (continued)

	Principal	Interest	Total
2006	$ 617,425	$ 460,409	$ 1,077,834
2007	554,634	395,662	950,296
2008	532,839	338,449	871,288
2009	479,373	283,852	763,225
2010	439,513	235,671	675,184
2011 to maturity	1,932,647	620,969	2,553,616
Total	$ 4,556,431	$ 2,335,012	$ 6,891,443

9. Deferred capital allocations

Deferred capital allocations represent externally-restricted supported capital funds provided for a specific capital purpose that have been received or are receivable by jurisdictions, but the related expenditure has not yet been made at year end. These unspent deferred capital allocations are not amortized until the expenditure has been made and it is at that time that the balance is transferred to the unamortized capital allocations account.

10. Unamortized capital allocations

Unamortized capital allocations (UCA) represent externally-restricted supported capital funds that have been spent, but have yet to be amortized over the useful life of the applicable capital asset to which the restricted capital allocations apply. The unamortized capital allocations account balance is increased by transfers of previously deferred capital allocations now spent, as well as fully-supported debenture capital funds, as the principal is repaid.

11. Commitments

Office premises

The Regional Division has entered into an agreement to lease its office premises until April 1, 2012. The annual rent payable is $48,500.

Buildings

The Regional Division received approval from Alberta Infrastructure to complete modernization of two schools, build two replacement schools and some other smaller scale projects. The cost of these projects will be fully supported and is expected to be $18,291,329. To date they have spent $13,272,671.

11. Commitments (continued)

Photocopiers

The Regional Division leases photocopiers under long term operating leases. The future minimum payments are as follows:

2006	$ 67,848
2007	67,848
2008	53,694
2009	42,273
2010	28,850

12. Contingencies

The jurisdiction is a member of a reciprocal insurance exchange called ALAIRE. A portion of the premiums paid each year represents equity contributions to the insurance fund. These payments have been recorded as expenditures in the financial statements as the value of equity is subject to liability claims and is not an asset that the jurisdiction can liquidate.

The jurisdiction has been named as a defendant in a lawsuit whereby the plaintiff is seeking damages in the amount of $800,000. As the likelihood of the outcome and potential damages, if any, ensuing from this lawsuit are not determinable at the date of reporting, no provision has been made in the financial statements for any costs associated with the lawsuit.

Further, a Board of Reference hearing has been scheduled regarding a personnel matter. As the likelihood of the outcome and potential damages, if any, ensuing from this hearing are not determinable at the date of reporting, no provision has been made in the financial statements.

On November 22, 2005, the Division received a statement of claim advising of a lawsuit filed by the Alberta Society for Pension Reform against all Public Bodies in Alberta. The claim is in regard to an alleged shortfall in pension benefits suffered by employees participating in the Public Service Pension Plan, the Local Authorities Pension Plan and the Alberta Teachers' Retirement Fund. The likelihood or value of the resulting loss, if any, cannot be determined at this time.

13. Economic dependence on related third party

The Regional Division received 83.1% (2004 – 85.2%) of its revenues pursuant to a funding arrangement with the Alberta Government. The Division's ability to continue viable operations is dependent on this funding.

14. Budget amounts

The budget was prepared by the Regional Division and approved by the Board of Trustees on June 16, 2004. It is presented for information purposes only and has not been audited.

15. Prior period adjustment

During 2004 and prior years, the treatment of goods and services obtained before the year end for use in the following year were improperly accounted for. These items were formerly allocated directly to expense in the year for which they were budgeted, without taking into account the effect they had on financial position of the Division in the year obtained. These items are now presented to properly show the financial position of the Division as of year end.

This results in the August 31, 2004 year end figures, which are presented for comparative purposes, being restated from those previously reported, in order to properly present the financial position of that year end as follows:

	Increase	Decrease
Prepaid expenses	$ 235,361	
Other current assets		$ 86,882
Accounts payable and accrued liabilities	148,479	

This change will have no effect on the Statement of Revenues and Expenses or the Statement of Changes in Net Assets for the August 31, 2004 or 2005 year ends.

SCHEDULE A to the AFS

School Jurisdiction Cod 0020

ALLOCATION OF REVENUES AND EXPENSES TO PROGRAMS - 2004-2005

	REVENUES	TOTAL	ECS to Grade 12 Instruction	Operations and Maintenance of Schools & Maintenance Shops	Transportation	Board & System Admin.	External Services
(1)	**Alberta Education Revenues**	$13,561,726	$12,257,049	$0	$270,006	$1,034,671	$0
	Alberta Infrastructure and Transportation						
(2)	Infrastructure Maintenance Program & Portable Relocations support	$287,208	$0	$287,208			
(3)	Regular Operations & Maintenance support	$1,481,283		$1,481,283			
(4)	Other support	$0	$0	$0			
(5)	**Total Alberta Infrastructure and Transportation Revenues**	$1,768,491	$0	$1,768,491			
(6)	**Alberta Finance**	$490,635		$490,635			$0
(7)	**Other - Government of Alberta**	$4,887	$4,887	$0	$0	$0	$0
(8)	**Federal Government and/or First Nations**	$1,179,069	$966,837	$129,697	$0	$82,535	$0
(9)	**Other Alberta school authorities**	$0	$0	$0	$0	$0	$0
(10)	**Out of province authorities**	$0	$0	$0	$0	$0	$0
(11)	**Alberta municipalities** (excl. supplementary requisitions)	$0	$0	$0	$0	$0	$0
(12)	**Instruction resource fees**	$159,492	$159,492				
(13)	**Transportation fees**	$15,546			$15,546		
(14)	**Other sales and services**	$32,142	$13,000	$501	$0	$0	$18,641
(15)	**Investment income**	$39,597	$0	$0	$0	$39,597	$0
(16)	**Gifts and donations**	$80	$80	$0	$0		$0
(17)	**Rentals of facilities**	$2,500	$0	$2,500	$0	$0	$0
(18)	**Net school generated funds**	$547,434	$547,434			$0	
(19)	**Gains on disposal of capital assets**	$0	$0		$0	$0	$0
(20)	**Amortization of capital allocations**	$1,233,806	$178,753	$1,055,053	$0		$0
(21)	**TOTAL REVENUES**	$19,035,405	$14,127,532	$3,446,877	$285,552	$1,156,803	$18,641
	EXPENSES						
(22)	**Certificated salaries**	$9,464,038	$9,180,764			$283,274	$0
(23)	**Certificated benefits**	$1,003,701	$985,420			$18,281	$0
(24)	**Uncertificated salaries and wages**	$2,296,864	$1,572,142	$458,003	$0	$255,144	$11,575
(25)	**Uncertificated benefits**	$472,758	$292,439	$123,508	$0	$54,582	$2,229
(26)	**SUB - TOTAL**	$13,237,361	$12,030,765	$581,511	$0	$611,281	$13,804
(27)	**Services, contracts & supplies**	$3,465,106	$1,374,194	$1,132,083	$414,023	$544,806	$0
(28)	**Cost recoveries & charges to programs**	$0	$0	$0	$0	$0	$0
(29)	**Net school generated funds**	$547,434	$547,434				
	Capital and debt services						
	Amortization of capital assets						
(30)	Supported	$1,177,850	$178,753	$999,097	$0	$0	$0
(31)	Unsupported	$160,509	$110,459	$23,391	$0	$26,659	$0
(32)	Total Amortization	$1,338,359	$289,212	$1,022,488	$0	$26,659	$0
	Interest on capital debt						
(33)	Supported	$490,635	$0	$490,635	$0	$0	$0
(34)	Unsupported	$0	$0	$0	$0	$0	$0
(35)	Other interest charges	$0	$0	$0	$0	$0	$0
(36)	Losses on disposal of capital assets	$205,999	$0	$205,999	$0	$0	$0
(37)	**TOTAL EXPENSES**	$19,284,894	$14,241,605	$3,432,716	$414,023	$1,182,746	$13,804
(38)	**SURPLUS (DEFICIT) BEFORE EXTRAORDINARY ITEM**	($249,489)	($114,073)	$14,161	($128,471)	($25,943)	$4,837

School Jurisdiction Code: 0020

SCHEDULE B to the AFS

ALBERTA EDUCATION REVENUES 2004-2005

	TOTAL
Base Funding	
Early Childhood Services (ECS)	$280,466
Base Instruction (Gr 1-12)	$9,908,346
Outreach Programs	$52,020
Home Education	$1,241
Differential Cost Funding *	$2,203,188
Other Provincial Support	
Institutional Programs	$0
Regional Consortium (6 boards) and Regional Educational Consulting Services (4 boards)	$0
Learning Resources Credit	$31,594
Federal French Funding	$1,342
Provincial Priority Targeted Funding	
Class Size Initiative	$393,545
Student Health Initiative (SHI)	$0
Alberta Initiative for School Improvement (AISI)	$265,200
High Speed Networking	$60,000
Children and Youth with Complex Needs	$0
Other Alberta Education Revenues (describe) Miscellaneous Transportation and Funding Adjustments	$364,784
Total Alberta Education Revenues	$13,561,726

* Differential Cost Funding is based on distribution formulas designed to address variable cost factors and incremental costs associated with other variables and specific student populations. Included in differential cost funding are allocations for students with severe disabilities, English as a second language students, Francisation and support services for immigrant students, aboriginal students, gifted & talented early childhood services children and those with mild or moderate or severe disabilities, the percentage of the student population experiencing low socio-economic status, small schools by necessity, intra-jurisdiction distances, year to year enrolment fluctuations, small school board administration, schools located in the north, boarding, transportation, stabilization of funding, and cost differences among school jurisdictions for purchasing goods and services

School Jurisdiction Code: 0020

SCHEDULE C the AFS

ECS to Grade 12 INSTRUCTION PROGRAMS Expense Details - 2004-2005

SUB-PROGRAMS & INITIATIVES	ECS to GRADE 12 Instruction						
	Certificated Remuneration	Uncertificated Remuneration	Services, Contracts & Supplies [1]	Learning Resources	Cost Recoveries & Transfers	Other Expenses [2]	TOTAL EXPENSES
School Administration & All Instruction Support	$869,704	$607,758	$500,141		$0	$0	$1,977,603
Mild & Moderate Disabilities/Gifted & Talented (ECS-12)	$0	$0	$0		$0		$0
ECS Program Unit (PUF)	$85,218	$9,374	$2,884		$0		$97,476
Severe Disabilities (Gr 1-12)	$338,852	$851,130	$40,574		$0		$1,230,556
English as a Second Language	$0	$0	$0		$0		$0
French Language Program & Francisation (all jurisdictions)	$0	$0	$0		$0		$0
First Nations, Metis and Inuit Education (ECS - Gr 12)	$0	$0	$0		$0		$0
Home Education	$0	$0	$0		$0		$0
Institutional Programs	$0	$0	$0		$0		$0
Alberta Initiative for School Improvement	$236,063	$36,909	$14,265	$0	$0		$287,237
Student Health Initiative	$0	$0	$0		$0		$0
High Speed Networking			$0		$0		$0
Class Size	$354,545	$39,000	$0	$0	$0		$393,545
Children and Youth with Complex Needs (ECS - Gr 12)	$0	$0	$0		$0		$0
All Other Student Instruction Expenses (ECS - Gr 12)	$8,281,802	$320,410	$816,330	$0	$0	$836,646	$10,255,188
TOTAL EXPENSES	$10,166,184	$1,864,581	$1,374,194	$0	$0	$836,646	$14,241,605

FULL-TIME-EQUIVALENCIES (Board/Contract)	FTE Certificated	FTE Uncertificated
Mild & Moderate Disabilities/Gifted & Talented (ECS - Gr 12	0.0	0.0
ECS Program Unit (PUF)	0.0	0.0
Severe Disabilities (Gr 1-12)	0.0	0.0

Note 1 Excludes Learning Resources

Note 2 Includes Net School Generated Funds, Amortization, Interest, and Losses on Disposal of Instruction Program Capital Assets

School Jurisdiction Code: 0020

SCHEDULE D to the AFS

CALCULATION OF MAXIMUM ELIGIBLE EXPENSE LIMIT FOR BOARD (GOVERNANCE) AND SYSTEM ADMINISTRATION - 2004-2005

TOTAL EXPENSES	$19,284,894

STEP 1

Calculation of maximum expense limit PERCENTAGE for Board and System Administration expenses

If "Total Net Enrolled Students" are 6,000 and over	= 4%	5.92%
If "Total Net Enrolled Students" are 2,000 and less	= 6%	

The Maximum Expense Limit for Board and System Administration is based on an arithmetical proration for the TOTAL FTE count for grades 1 -12, net of Home Education AND Adult students, between 2,000 to 6,000 at .0005 per FTE.

EXAMPLE: 4,500 FTE count grades 1-12 = 6,000 - 4,500 = 1,500 X .0005 = .75% plus 4% = maximum expense limit of 4.75%

Note: Calculation unnecessary if Total FTE is 6,000 or more, and 2,000 & less.

STEP 2

Calculate maximum expense limit AMOUNTS for Board and System Administration expenses

Maximum Expense Limit percentage (Step 1) x TOTAL EXPENSES		$1,141,666
Considerations for Charter Schools and Small School Boards:		
If **Charter School**, enter $56,100	$0	$0
If **School Board**, please enter your 04-05 Gr 1- 12 funded enrolment	0	
	$0	$0
MAXIMUM EXPENSE LIMIT		$1,141,666

STEP 3

Compare maximum expense limit amounts calculated in Step 2 to actual expenses (from Schedule A)

Actual Board Governance & System Administration expenses	$1,182,746
PLUS transfers to Restricted - Operating (Board/System Administration)	$26,659
LESS transfers from Restricted - Operating (Board/System Administration)	-$67,739
TOTAL BOARD GOVERNANCE & SYSTEM ADMINISTRATION EXPENSES	$1,141,666
MAXIMUM EXPENSE LIMIT	$1,141,666
ACTUAL EXPENSES - OVER(UNDER) MAXIMUM EXPENSE LIMIT	$0

School Jurisdiction Code: 0020

SCHEDULE E to the AFS
SOURCE & APPLICATION OF SCHOOL GENERATED FUNDS (SGF) - 2004-2005

Unexpended SGF - Opening Balance August 31, 2004 (Note 1)				$165,507
Source of Net School Generated Funds:	**Gross SGF**	**Related Expenses**	**Net SGF**	
Fundraising activities	$176,640	$84,537	$92,103	
Student fees (Non-Instructional) (Note 2)	$0		$0	
Donations and grants to schools	$1,538		$1,538	
Other (describe) Sport teams, vending machines etc	$564,270	$134,146	$430,124	
Net Additions to SGF	$742,448	$218,683		$523,765
Net SGF Available for Discretionary Spending				$689,272
Application of Net School Generated Funds:				
Extra-curricular activities			$289,950	
School beautification			$0	
Field Trips			$53,669	
Equipment			$0	
Family literacy and other community resources			$0	
Other (describe) Misc including awards, student retreats, etc			$203,815	
Net SGF Expended for Discretionary Purposes (Note 3)				$547,434
Unexpended SGF - Closing Balance August 31, 2005 (Note 4)				$141,838

School Generated Funds (SGF) are funds raised in the community for student activities that come under the control and responsibility of school management. These funds are usually collected and retained at the school for expenditures paid at the school level. SGF does not include fees with respect to instructional supplies or materials collected pursuant to Section 60(2)(j) of the *School Act*, and any other funds collected at the school but remitted to central office and accounted for by the jurisdiction (facility rentals, capital assets purchases, etc.)

Note 1 Input "(Restated)" beside Balance at August 31, 2004 where not taken from the finalized 2003-2004 Audited Financial Statements

Note 2 Excludes fees collected pursuant to Section 60(2)(j) of the School Act (fees with respect to instructional supplies or materials - essentially textbooks, resource materials in lieu of textbooks, media, software, and materials for classrooms). Amounts collected for CEU-related activities are recorded as instruction resource fees, not SGF

Note 3 Net SGF Expended for Discretionary Purposes is recorded as revenue and expense in the Statement of Revenues & Expenses

Note 4 Unexpended SGF is carried forward to the Statement of Financial Position

School Jurisdiction Code: 0020

SCHEDULE F to the AFS
Operations and Maintenance Program Expenses - 2004-2005

EXPENSES	Custodial	Maintenance	Utilities and Telecommunications	Expensed Mod./I.M.P. & Portable Relocations	Facility Planning & Operations Administration	SUB-TOTAL Operations & Maintenance	Supported Capital & Debt Services	TOTAL Operations and Maintenance
Uncertificated salaries and wages	$381,918	$42,435	$0	$0	$33,650	$458,003		$458,003
Uncertificated benefits	$111,157	$12,351	$0	$0	$0	$123,508		$123,508
Sub-total Remuneration	$493,075	$54,786	$0	$0	$33,650	$581,511		$581,511
Contracted Services	$136,108	$0	$0	$0	$0	$136,108		$136,108
Supplies	$94,282	$313,416	$0	$38,975	$0	$446,673		$446,673
Electricity			$263,709			$263,709		$263,709
Natural Gas/Heating Fuel			$184,066			$184,066		$184,066
Sewer and Water			$23,809			$23,809		$23,809
Telecommunications			$1,124			$1,124		$1,124
Insurance					$76,594	$76,594		$76,594
Amortization of capital assets								
Supported							$999,097	$999,097
Unsupported						$23,391		$23,391
Total Amortization						$23,391	$999,097	$1,022,488
Interest on capital debt								
Supported							$490,635	$490,635
Unsupported				$0		$0		$0
Other interest charges						$0		$0
Losses on disposal of capital assets						$205,999		$205,999
Cost recoveries & transfers						$0		$0
TOTAL EXPENSES	$723,465	$368,202	$472,708	$38,975	$110,244	$1,942,984	$1,489,732	$3,432,716
SQUARE METRES								
School Buildings								32,656.2
Non School Buildings								557.4
UNCERTIFICATED FTE'S (Board/Contract)	12.2	2.1						

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Notes:

Custodial:	All expenses related to activities undertaken to keep the school environment clean and safe
Maintenance:	All expenses associated with the repair, replacement and minor construction of buildings, grounds and equipment components. This includes regular and preventative maintenance undertaken to ensure components reach or exceed their life cycle and the repair of broken components
Utilities & Telecommunications:	All expenses related to electricity, natural gas and other heating fuels, sewer and water and all forms of telecommunications
Expensed Block Mod/I.M.P. & Portable Relocations:	All expenses associated with non-capital activites related to Block Modernization, Infrastructure Maintenance Programs (AKA Building Quality Restoration Program) and portable relocations
Facility Planning & Operations Administration:	All expenses related to the administration of operations and maintenance including (but not limited to) contract administration, clerical functions, negotiations, supervision of employees and contractors, administration of capital projects (including new schools, I.M.P., block modernization and portable relocations), administration of joint-use agreements, and all expenses related to ensuring compliance with health and safety statndards, codes and government regulations
Supported Capital & Debt Services:	All expenses related to supported capital assets amortization and interest on supported capital debt

SCHEDULE G to the AFS

DISCLOSURE OF SALARIES AND BENEFITS - 2004-2005

(SECTION 148.1 OF THE SCHOOL ACT)

School Jurisdiction Code: 0020

		FTEs	Remuneration	Benefits	Allowances	Performance Bonuses	ERIP's / Other	Total	Expenses
Chairperson:									
Name	Mr. Glenn Tompolski	1.0	$800	$0	$0			$800	$672
Name	Mr. Fred Calkins	1.0	$4,665	$0	$0			$4,665	$8,189
Other Board Members:									
Name	Ms. Angela Greenidge	1.0	$3,135	$0	$0			$3,135	$9,513
Name	Mr. Charlie Swap	1.0	$3,600	$0	$0			$3,600	$6,474
Name	Ms. Arlene Hamilton	1.0	$3,135	$0	$0			$3,135	$6,056
Name	Mr. Dan Aiosio	1.0	$600	$0	$0			$600	$495
Name	Mr. George Ollenberger	1.0	$3,600	$0	$0			$3,600	$8,774
Name	Mr. Jim McQueen	1.0	$600	$0	$0			$600	$531
Name	Ms. Linda Proctor	1.0	$3,135	$0	$0			$3,135	$6,940
Name	Ms. Linda Webber	1.0	$600	$0	$0			$600	$966
Name	Ms. Maria Lentz	1.0	$3,135	$0	$0			$3,135	$8,511
Name	Mr. Michael Wyeth	1.0	$3,600	$0	$0			$3,600	$8,257
Name	Ms. Sandra Bannard	1.0	$3,135	$0	$0			$3,135	$7,051
Name	Ms. Sandra Lyon	1.0	$600	$0	$0			$600	$382
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Subtotal		*14.0*	*$34,340*	*$0*	*$0*			*$34,340*	*$72,811*
Superintendent	Mr. Metro Huculak	1.0	$144,176	$9,227	$0	$0	$0	$153,403	$16,768
Superintendent		0.0	$0	$0	$0	$0	$0	$0	$0
Secretary/Treasurer	Mr. Jeff Redmond	1.0	$88,000	$13,904	$0	$0	$0	$101,904	$9,208
Secretary/Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Board Secretary		0.0	$0	$0	$0	$0	$0	$0	$0
Board Secretary		0.0	$0	$0	$0	$0	$0	$0	$0
Board Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Board Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Certificated Salaries		132.5	$9,233,290	$994,474	$0	$0	$56,572	$10,284,336	
Uncertificated Salaries & Wages		77.2	$2,204,524	$458,854	$0	$0	$0	$2,663,378	
TOTALS			**$11,704,330**	**$1,476,459**	**$0**	**$0**	**$56,572**	**$13,237,361**	

Note: Please refer to completion information on page 15

School Jurisdiction Code: 1110

AUDITED
FINANCIAL STATEMENTS
and Supporting Schedules
FOR THE YEAR ENDED AUGUST 31, 2005
[School Act, Sections 147(2)(a), 148, 151(1) and 276]

STURGEON SCHOOL DIVISION NO. 24
Legal Name of School Jurisdiction

9820-104 Street, Morinville, AB T8R 1L8
Mailing Address

780-962-5627 **FAX 780-962-4664**
Telephone and Fax Numbers

SCHOOL JURISDICTION MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The financial statements and supporting schedules STURGEON SCHOOL DIVISION NO. 24 (Name of School Jurisdiction) presented to Alberta Learning have been prepared by school jurisdiction management which has responsibility for their preparation, integrity and objectivity. The financial statements and schedules, including notes, have been prepared in accordance with generally accepted accounting principles and Ministerial requirements for Alberta school jurisdictions.

In fulfilling its reporting responsibilities, management has maintained internal control systems and procedures designed to provide reasonable assurance that the school jurisdiction's assets are safeguarded, that transactions are executed in accordance with appropriate authorization and that accounting records may be relied upon to properly reflect the school jurisdiction's transactions. The effectiveness of the control systems is supported by the selection and training of qualified personnel, an organizational structure that provides an appropriate division of responsibility and a strong budgetary system of control.

Board of Trustees Responsibility
The ultimate responsibility for the financial statements lies with the Board of Trustees. The Board reviewed the financial statements with management in detail and the Board approved the financial statements for release.

External Auditors
The Board appoints external auditors to audit the financial statements and meets with the auditors to review their findings. The external auditors have full and free access to school jurisdiction records.

Declaration of Management and Board Chairman
To the best of our knowledge and belief, these financial statements and supporting schedules reflect, in all material respects, the financial position and results of operations and cash flows for the year in accordance with generally accepted accounting principles and Ministerial requirements for Alberta school jurisdictions.

BOARD CHAIRMAN
Terry Jewell — "ORIGINAL SIGNED"
Name — Signature

SUPERINTENDENT
Evan Miller — "ORIGINAL SIGNED"
Name — Signature

SECRETARY TREASURER OR TREASURER
Karen Parasynchuk — "ORIGINAL SIGNED"
Name — Signature

23-Nov-05
Board-approved Release Date

c.c. **ALBERTA EDUCATION, School Reporting Branch,**
8th Floor Commerce Place, 10155-102 Street, Edmonton AB T5J 4L5
EMAIL: Cindy.Jarry@gov.ab.ca
PHONE: (780) 427-7782 FAX: (780) 422-6996

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Chartered Accountants

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AUDITORS' REPORT

To The Trustees of
Sturgeon School Division No. 24
Morinville, Alberta

We have audited the statement of financial position of Sturgeon School Division No. 24 as at August 31, 2005 and the statements of revenues and expenses, cash flows, changes in net assets and capital allocations for the year then ended. These financial statements are the responsibility of the school jurisdiction's management. Our responsibility is to express an audit opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance as to whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the school jurisdiction as at August 31, 2005 and the results of its operations, changes in cash flows, net assets and capital allocations for the year then ended in accordance with Canadian generally accepted accounting principles.

Our audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplementary information included in Schedules A through G is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such supplementary information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

Hawkings Epp Dumont LLP

Edmonton, Alberta
October 26, 2005

HAWKINGS EPP DUMONT LLP
Chartered Accountants

Founding Partners
F.J. Bruha, CA (Deceased)
A.W. Whelan, CA (Retired)

Stony Plain Office
Phone (780) 963-2727
Fax (780) 963-1294
Email: email@hawkings.com
*Professional Corporation

School Jurisdiction Code: 1110

STATEMENT OF FINANCIAL POSITION

as at August 31, 2005

(in dollars)

		2005	2004
ASSETS			
Current assets			
Cash and temporary investments		$1,794,891	$2,322,714
Accounts receivable (net after allowances)		$1,775,098	$1,371,742
Prepaid expenses		$158,286	$256,570
Other current assets		$34,782	$25,144
Total current assets		$3,763,057	$3,976,170
School generated assets		$342,598	$298,110
Trust assets		$37,030	$38,277
Long term accounts receivable		$0	$0
Long term investments		$0	$0
Capital assets			
Land		$1,414,541	$1,424,541
Buildings	$46,949,212		
Less accumulated amortization	($22,833,502)	$24,115,710	$24,478,709
Equipment	$3,225,169		
Less accumulated amortization	($1,712,341)	$1,512,828	$1,380,057
Vehicles	$904,525		
Less accumulated amortization	($455,402)	$449,123	$375,225
Total capital assets		$27,492,202	$27,658,532
TOTAL ASSETS		$31,634,887	$31,971,089
LIABILITIES			
Current liabilities			
Bank indebtedness		$0	$0
Accounts payable and accrued liabilities		$864,728	$977,985
Deferred revenue		$487,449	$232,365
Deferred capital allocations		$126,799	$205,329
Current portion of all long term debt		$812,801	$725,618
Total current liabilities		$2,291,777	$2,141,297
School generated liabilities		$342,598	$298,110
Trust liabilities		$37,030	$38,277
Employee future benefits liability		$0	$0
Long term payables and accrued liabilities		$0	$0
Long term debt			
Supported	Debentures and other supported debt	$2,770,625	$3,485,843
	Less Current portion of supported debt	($625,305)	($715,218)
Unsupported	Debentures and Capital Loans	$281,244	$60,007
	Capital Leases	$0	$0
	Mortgages	$0	$0
	Less Current portion of unsupported debt	($187,496)	($10,400)
Unamortized capital allocations		$21,198,792	$20,911,880
Total long term liabilities		$23,817,488	$24,068,499
TOTAL LIABILITIES		$26,109,265	$26,209,796
NET ASSETS			
Unrestricted net assets		$598,729	$273,826
Operating Reserves		$832,967	$1,943,788
Accumulated Operating Surplus (Deficit)		$1,431,696	$2,217,614
Investment in capital assets		$3,241,541	$3,200,802
Capital Reserves		$852,385	$342,877
Total Capital Funds		$4,093,926	$3,543,679
Total net assets		$5,525,622	$5,761,293
TOTAL LIABILITIES AND NET ASSETS		$31,634,887	$31,971,089

Note: Input "(Restated)" in 2004 column heading where comparatives are not taken from the finalized 2003-2004 Audited Financial Statements

School Jurisdiction Code: 1110

STATEMENT OF REVENUES AND EXPENSES

for the Year Ended August 31, 2005

(in dollars)

	Actual 2005	Budget 2005	Actual 2004 (Note 14)
REVENUES			
Government of Alberta	$37,218,924	$36,320,930	$36,350,612
Federal Government and/or First Nations	$345,002	$362,326	$344,145
Other Alberta school authorities	$0	$0	$0
Out of province authorities	$18,309	$0	$0
Alberta Municipalities (excluding supplementary requisitions)	$0	$0	$0
Instruction resource fees	$240,271	$256,959	$251,683
Transportation fees	$0	$0	$0
Other sales and services	$594,215	$193,665	$513,620
Investment income	$80,391	$125,000	$104,885
Gifts and donations	$1,000	$0	$0
Rentals of facilities	$0	$0	$0
Net school generated funds	$626,681	$254,138	$68,175
Gains on disposal of capital assets	$509,508	$0	$16,452
Amortization of capital allocations	$1,349,234	$1,219,678	$1,461,303
Total Revenues	$40,983,535	$38,732,696	$39,110,875
EXPENSES			
Certificated salaries	$19,995,182	$19,181,107	$19,175,600
Certificated benefits	$1,982,396	$1,970,469	$1,948,835
Uncertificated salaries and wages	$7,122,387	$6,778,815	$7,069,893
Uncertificated benefits	$1,519,519	$1,685,982	$1,469,181
Services, contracts and supplies	$7,923,194	$8,467,623	$8,092,813
Net school generated funds	$626,681	$254,138	$68,175
Capital and debt services			
Amortization of capital assets			
Supported	$1,349,234	$1,219,678	$1,461,303
Unsupported	$381,980	$120,696	$336,980
Total Amortization of capital assets	$1,731,214	$1,340,374	$1,798,283
Interest on capital debt			
Supported	$318,633	$318,633	$405,288
Unsupported	$0	$0	$0
Total Interest on capital debt	$318,633	$318,633	$405,288
Other interest charges	$0	$0	$0
Losses on disposal of capital assets	$0	$0	$0
Total Expenses	$41,219,206	$39,997,141	$40,028,068
SURPLUS (DEFICIT) OF REVENUES OVER EXPENSES BEFORE EXTRAORDINARY ITEM	($235,671)	($1,264,445)	($917,193)
Extraordinary Item	$0	$0	$0
SURPLUS (DEFICIT) OF REVENUES OVER EXPENSES	($235,671)	($1,264,445)	($917,193)

Note: Input "(Restated)" in Budget 2005 and/or Actuals 2004 column headings where comparatives are not taken from the respective finalized 2004-2005 Budget Report and/or finalized 2003-2004 Audited Financial Statements.

School Jurisdiction Code: 1110

STATEMENT OF CASH FLOWS

for the Year Ended August 31, 2005

(in dollars)

	2005	2004
CASH FLOWS FROM:		
A. OPERATIONS		
Surplus (deficit) of revenues over expenses for the year	($235,671)	($917,194)
Add (Deduct) items not requiring cash:		
Amortization of capital allocations revenue	($1,349,234)	($1,461,303)
Total amortization expense	$1,731,214	$1,798,283
Gains on disposal of capital assets	($509,508)	($16,452)
Losses on sale of capital assets	$0	$0
Changes in accrued accounts:		
Accounts receivable	($403,356)	($210,760)
Prepaids and other current assets	$88,646	$214,266
Long term accounts receivable	$0	$0
Long term investments	$0	$0
Payables and accrued liabilities	($113,257)	$223,694
Deferred revenue	$255,084	($241,451)
Employee future benefit expense (recovery)	$0	$0
Other (describe)		$0
Total sources (uses) of cash from Operations	($536,082)	($610,917)
B. INVESTING ACTIVITIES		
Purchases of capital assets		
Land		$0
Buildings	($919,906)	($206,241)
Equipment	($537,791)	($380,640)
Vehicles	($117,186)	($98,992)
Net proceeds from disposal of capital assets	$519,507	$24,000
Other (describe)		$0
Total sources (uses) of cash from Investing activities	($1,055,376)	($661,873)
C. FINANCING ACTIVITIES		
Capital allocations	$842,398	$79,062
Issue of long term debt	$281,244	$0
Repayment of long term debt	($775,225)	($860,272)
Add back: supported portion	$715,218	$850,585
Other (describe)		$0
Total sources (uses) of cash from Financing activities	$1,063,635	$69,375
Net sources (uses) of cash during year	($527,823)	($1,203,415)
Cash and temporary investments, net of bank indebtedness, at Aug. 31/04	$2,322,714	$3,526,129
Cash and temporary investments, net of bank indebtedness, at Aug. 31/05	$1,794,891	$2,322,714

Note: 1 Input "(Restated)" in 2004 column heading where not taken from the finalized 2003-2004 Audited Financial Statements.

2 Cash and temporary investments are net of cash obligations.

School Jurisdiction 1110

STATEMENT OF CHANGES IN NET ASSETS
for the Year Ended August 31, 2005
(in dollars)

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
	TOTAL NET ASSETS Cols 2+3+4	INVESTMENT IN CAPITAL ASSETS	UNRESTRICTED NET ASSETS	TOTAL INTERNALLY RESTRICTED NET ASSETS Cols 5 to 14	INTERNALLY RESTRICTED NET ASSETS									
					School Based		Infrastructure		Board & System Admin.		Transportation		External Services	
					Operating Reserves	Capital Reserves	O& M Operating Reserves	Capital Reserves	Operating Reserves	Capital Reserves	Operating Reserves	Capital Reserves	Operating Reserves	Capital Reserves
Balance at August 31, 2004	$5,761,293	$3,200,802	$273,826	$2,286,665	$1,760,853	$5,134	$0	$333,024	$182,935	$0	$0	$4,719	$0	$0
Prior period adjustments (describe)														
	$0		$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Adjusted Balance,Aug.31, 2004	$5,761,293	$3,200,802	$273,826	$2,286,665	$1,760,853	$5,134	$0	$333,024	$182,935	$0	$0	$4,719	$0	$0
Surplus(def) of revenue over expenses	($235,671)		($235,671)											
Board funded capital transactions		$362,712	($362,712)	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Direct credits to net assets	$0	$0												
Amortization of capital assets		($1,731,214)	$1,731,214											
Amortization of capital allocations		$1,349,234	($1,349,234)											
Disposal of unsupported capital assets	$0	$0	$0	$0		$0		$0		$0		$0		$0
Disposal of supported capital assets (board funded portion)	$0	$0	$0	$0		$0		$0		$0		$0		$0
Debt principal payments (unsupported)		$60,007	($60,007)											
Net transfers to operating reserves			($103,300)	$103,300	$0		$0		$97,626		$5,674		$0	
Net transfers from operating reserves			$1,214,121	($1,214,121)	($1,214,121)		$0		$0		$0		$0	
Net transfers to capital reserves			($509,508)	$509,508		$0		$509,508		$0		$0		$0
Net transfers from capital reserves			$0	$0		0		$0		$0		$0		$0
Balance at August 31, 2005	$5,525,622	$3,241,541	$598,729	$1,685,352	$546,732	$5,134	$0	$842,532	$280,561	$0	$5,674	$4,719	$0	$0

School Jurisdiction Code: 1110

STATEMENT OF CAPITAL ALLOCATIONS
(SUPPORTED CAPITAL FINANCING ONLY)
for the Year Ended August 31, 2005

(in dollars)

	Deferred Capital Allocations	Unamortized Capital Allocations
Balance at August 31, 20	$205,329	$20,911,880
Prior period adjustment	$0	$0
Adjusted balance, August 31, 2004	$205,329	$20,911,880
Add:		
Capital allocations from: Infrastructure and Transportation-New/Modernization Projects	$839,656	
Other Government of Alberta	$0	
Federal Government and/or First Nations		
Other sources	$2,737	
Interest earned on provincial government capital allocations	$5	
Other capital grants and donations	$0	
Proceeds on disposal of supported capital assets	$0	
Insurance proceeds		
Donated capital assets (amortizable, at Fair Market Value)		$0
Transferred in capital assets (amortizable, at Net Book Value)		$0
Current Year Debenture Principal Repayment		$715,218
Expended capital allocations - current year	($920,928)	$920,928
Less:		
Unamortized Capital Allocation affected by a disposal through transfer out		
Capital allocations amortized to revenue		$1,349,234
Balance at August 31, 2005	$126,799	$21,198,792

1. AUTHORITY AND PURPOSE

The Division delivers education programs under the authority of the *School Act*, Revised Statutes of Alberta 2000, Chapter S-3.

The Division receives instruction and support allocations under Regulation 77/2003. The regulation allows for the setting of conditions and use of grant monies. The Division is limited on certain funding allocations administration expenses.

2. SIGNIFICANT ACCOUNTING POLICIES

These financial statements have been prepared by management in accordance with Canadian generally accepted accounting principles. The precise determination of certain assets and liabilities is dependent on future events. As a result, the preparation of financial statements for a period involves the use of estimates and approximations which have been made using careful judgement. Actual results could differ from those estimates and approximations. The financial statements have, in management's opinion, been properly prepared within reasonable limits of materiality and within the framework of the accounting policies summarized below:

(a) Revenue Recognition

Revenue is recognized as follows:

Instruction and support allocations are recognized in the year to which they relate.

Fees for services related to courses and programs are recognized as revenue when such courses and programs are delivered.

Unrestricted contributions are recognized as revenue when received and receivable. Contributions in-kind are recorded at fair market value when reasonably determinable.

Externally restricted contributions are deferred and recognized as revenue in the period in which the restriction is complied with.

(b) Capital Assets

Capital assets are recorded at cost, and are amortized over their estimated useful lives on a straight-line basis, at the following annual rates:

Buildings	40 years
Buildings - portables	25 years
Equipment	5 years
Vehicles	5 years

Capital assets with costs in excess of $5,000 are capitalized. Capital allocations received for asset additions are amortized into revenue over the same period as the amortization expense (see Note 8).

(c) School Generated Funds

These are funds which come under the control and responsibility of a school principal for school activities. They are usually collected, retained, and expended at the school level (e.g. yearbook sales, graduation fees, field trip fees, etc.).

(d) Vacation Pay

Vacation pay is accrued in the period in which the benefit is earned by the employee.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(e) Pensions

Pension costs included in these statements comprise the cost of employer contributions for current service of employees during the year.

The current service and past service costs of the Alberta Teacher Retirement Fund are met by contributions by active members and the Government of Alberta. Under the terms of the Teachers Pension Plan Act, the Division does not make pension contributions for certificated staff.

The Division participates in the multi-employer pension plan, Local Authorities Pension Plan and does not report any unfunded liabilities. The expense for this pension plan is equivalent to the annual contributions of $452,814 (2004 - $384,195) for the year ended August 31, 2005. At December 31, 2004, the Local Authorities Pension Plan reported an actuarial deficiency of $1,288,924,000 (2003 - deficiency of $1,453,487,000).

(f) Prepaid Expenses

Certain expenses incurred and paid for before the close of the fiscal year are for specific school supplies, which will be consumed subsequent to the year-end, and are accordingly recorded as prepaid expenses.

(g) Contributed Services

Volunteers contribute a considerable number of hours per year to various schools to ensure that certain programs are delivered, such as kindergarten, lunch services and the raising of school generated funds. Because of the difficulty of compiling these hours and the fact that these services are not otherwise purchased, contributed services are not recognized in the financial statements.

(h) Financial Instruments

The Division's financial instruments consist of cash, accounts receivable, accounts payable and accrued liabilities, and long-term debt. It is management's opinion that the Division is not exposed to significant interest, currency or credit risks arising from these financial instruments. Unless otherwise noted, the fair values of these financial instruments approximate their carrying values. The Division has invested surplus funds in accordance with Section 60 of the *School Act* and Section 5 of the *Trustees Act*.

(i) Operating and Capital Reserves

Reserves are established at the discretion of the Board of Trustees of the Division to set aside funds for future operating and capital purposes. These reserves are appropriations of unrestricted net assets.

3. ACCOUNTS RECEIVABLE

	2005	2004
Alberta Infrastructure and Transportation	$ 1,006,211	$ 911,047
Alberta Education	257,764	77,854
Federal government	200,794	46,331
Alberta Finance	156,425	202,392
First Nations	84,460	62,305
Other Province of Alberta	43,048	4,109
Other	26,396	67,704
	$ 1,775,098	$ 1,371,742

4. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	2005	2004
Other trade payables and accrued liabilities	$ 682,187	$ 656,883
Alberta Finance	156,425	202,392
Other Province of Alberta	13,912	75
Federal government	12,204	108,661
Other Alberta School Jurisdictions	-	4,118
Alberta municipalities	-	5,856
	$ 864,728	$ 977,985

5. DEFERRED REVENUE

	2005	2004
Other	$ 109,702	$ 134,343
Classroom Resources	102,000	-
Infrastructure Maintenance Program	93,752	-
Alberta Initiative for School Improvement	89,875	76,057
Video-conferencing	60,000	-
Instruction material fees	16,187	14,083
Learning Resources credit	15,933	7,882
	$ 487,449	$ 232,365

6. TRUST ASSETS AND LIABILITIES

These balances represent cash that is held in trust by the Division for Scholarship Trusts. The School Division administers two separate trust funds which are used to pay the Frank Robinson scholarship and Halina Dudzic awards. The School Division also holds trust funds on behalf of the Sturgeon School Division Bursary Foundation and is responsible for paying an annual bursary of $600.

7. LONG-TERM DEBT

The debentures are held with Alberta Capital Finance Authority, bear interest at rates ranging from 7.5% to 12.0% and are fully supported by Alberta Finance.

Debenture payments due over the next five years and beyond are as follows:

	Debentures	Capital Lease	Total
2006	$ 625,305	$ 187,496	$ 812,801
2007	480,319	93,748	574,067
2008	312,680	-	312,680
2009	227,482	-	227,482
2010	203,211	-	203,211
Thereafter	921,628	-	921,628
	$ 2,770,625	$ 281,244	$ 3,051,869

8. DEFERRED CAPITAL ALLOCATIONS

Deferred capital allocations represent externally restricted supported capital funds provided for a specific capital purpose received or are receivable by the Division but the related expenditure has not yet been made at year-end. When expended, these deferred capital allocations are transferred to unamortized capital allocations.

9. UNAMORTIZED CAPITAL ALLOCATIONS

Unamortized capital allocations represent externally restricted supported capital funds that have been spent, but have to be amortized over the useful life of the applicable capital asset to which the restricted capital allocations apply. Unamortized capital allocations are increased by transfers of previously deferred capital allocations which are now spent, as well as fully-supported debenture principle repayments.

10. COMMITMENTS

(a) Equipment Leases

The School Division is committed to the following payments for equipment operating leases over the next five years:

2006	$ 136,630
2007	137,318
2008	133,341
2009	125,028
2010	116,882
	$ 649,199

(b) Building Leases

The Division has entered into three leases for space to operate its Learning Centres. The annual lease payments to the end of the lease term are as follows:

2006	$ 65,049
2007	37,448
2008	12,249
2009	12,249
	$ 126,995

11. CONTINGENCIES

(a) Contingent Liability

On December 15, 2000, the School Division entered into an agreement with the Minister of National Defence. Under the terms of the agreement, the School Division leases land, on which the new Guthrie School is located, from the Minister in the amount of $1.00 per annum for a period of twenty-five years commencing on September 1, 2000 and continuing until August 31, 2025. The School Division has the option to renew the lease for a further twenty-five year term under the same terms and conditions provided the School Division notifies the Minister at least twelve months prior to the expiry of the present lease term of its intention to exercise this option.

Additionally, upon termination of the lease by either the School Division or the Minister, the School Division shall, at the choice of the Minister either, convey ownership of the new Guthrie School to the Minister for nominal consideration of $1.00, or demolish the school at its sole expense.

(b) Contingent Asset

The School Division is a member of a reciprocal insurance exchange called ASBIE. A portion of the premiums paid each year represents equity contributions to the insurance fund. These payments have been recorded as expenditures in the financial statements, as the value of equity is subject to liability claims and is not an asset that the School Division can liquidate.

STURGEON SCHOOL DIVISION NO. 24

NOTES TO FINANCIAL STATEMENTS (CONT'D)

AUGUST 31, 2005

12. ECONOMIC DEPENDENCE

The Division's primary source of revenue is received from the Alberta Government. The Division's ability to continue viable operations is dependent on this funding.

13. BUDGET FIGURES

The budget was prepared by the Division and approved by the Board of Trustees. It is presented for information purposes only and has not been audited.

14. COMPARATIVE FIGURES

Certain comparative figures have been reclassified to conform with the current year's presentation.

SCHEDULE A to the AFS

School Jurisdiction Cod 1110

ALLOCATION OF REVENUES AND EXPENSES TO PROGRAMS - 2004-2005

	REVENUES	TOTAL	ECS to Grade 12 Instruction	Operations and Maintenance of Schools & Maintenance Shops	Transportation	Board & System Admin.	External Services
(1)	**Alberta Education Revenues**	$34,619,517	$28,229,243	$1,206,386	$3,597,470	$1,586,418	$0
	Alberta Infrastructure and Transportation						
(2)	Infrastructure Maintenance Program & Portable Relocations support	$355,803	$0	$355,803			
(3)	Regular Operations & Maintenance support	$1,688,940		$1,688,940			
(4)	Other support	$0	$0	$0			
(5)	**Total Alberta Infrastructure and Transportation Revenues**	$2,044,743	$0	$2,044,743			
(6)	**Alberta Finance**	$318,633		$318,633			$0
(7)	**Other - Government of Alberta**	$236,031	$232,883	$3,148	$0	$0	$0
(8)	**Federal Government and/or First Nations**	$345,002	$291,015	$35,507	$0	$18,480	$0
(9)	**Other Alberta school authorities**	$0	$0	$0	$0	$0	$0
(10)	**Out of province authorities**	$18,309	$18,309	$0	$0	$0	$0
(11)	**Alberta municipalities** (excl. supplementary requisitions)	$0	$0	$0	$0	$0	$0
(12)	**Instruction resource fees**	$240,271	$240,271				
(13)	**Transportation fees**	$0			$0		
(14)	**Other sales and services**	$594,215	$344,740	$1,226	$6,694	$23,813	$217,742
(15)	**Investment income**	$80,391	$67,516	$8,841	$0	$4,034	$0
(16)	**Gifts and donations**	$1,000	$1,000	$0	$0		$0
(17)	**Rentals of facilities**	$0	$0	$0	$0	$0	$0
(18)	**Net school generated funds**	$626,681	$626,681			$0	
(19)	**Gains on disposal of capital assets**	$509,508	$0	$509,508	$0	$0	$0
(20)	**Amortization of capital allocations**	$1,349,234	$0	$1,349,234	$0		$0
(21)	**TOTAL REVENUES**	$40,983,535	$30,051,658	$5,477,226	$3,604,164	$1,632,745	$217,742
	EXPENSES						
(22)	**Certificated salaries**	$19,995,182	$19,617,949			$232,000	$145,233
(23)	**Certificated benefits**	$1,982,396	$1,948,105			$14,575	$19,716
(24)	**Uncertificated salaries and wages**	$7,122,387	$4,665,190	$1,569,703	$228,087	$589,994	$69,413
(25)	**Uncertificated benefits**	$1,519,519	$1,030,283	$338,533	$44,541	$95,378	$10,784
(26)	**SUB - TOTAL**	$30,619,484	$27,261,527	$1,908,236	$272,628	$931,947	$245,146
(27)	**Services, contracts & supplies**	$7,923,194	$2,703,758	$1,531,565	$3,265,659	$422,212	$0
(28)	**Cost recoveries & charges to programs**	$0	$0	$0	$0	$0	$0
(29)	**Net school generated funds**	$626,681	$626,681				
	Capital and debt services						
	Amortization of capital assets						
(30)	Supported	$1,349,234	$0	$1,349,234	$0	$0	$0
(31)	Unsupported	$381,980	$282,370	$49,041	$32,070	$18,499	$0
(32)	Total Amortization	$1,731,214	$282,370	$1,398,275	$32,070	$18,499	$0
	Interest on capital debt						
(33)	Supported	$318,633	$0	$318,633	$0	$0	$0
(34)	Unsupported	$0	$0	$0	$0	$0	$0
(35)	Other interest charges	$0	$0	$0	$0	$0	$0
(36)	Losses on disposal of capital assets	$0	$0	$0	$0	$0	$0
(37)	**TOTAL EXPENSES**	$41,219,206	$30,874,336	$5,156,709	$3,570,357	$1,372,658	$245,146
(38)	**SURPLUS (DEFICIT) BEFORE EXTRAORDINARY ITEM**	($235,671)	($822,678)	$320,517	$33,807	$260,087	($27,404)

School Jurisdiction Code: 1110

SCHEDULE B to the AFS
ALBERTA EDUCATION REVENUES 2004-2005

	TOTAL
Base Funding	
Early Childhood Services (ECS)	$938,196
Base Instruction (Gr 1-12)	$20,978,695
Outreach Programs	$156,060
Home Education	$6,205
Differential Cost Funding *	$9,713,054
Other Provincial Support	
Institutional Programs	$327,934
Regional Consortium (6 boards) and Regional Educational Consulting Services (4 boards)	$0
Learning Resources Credit	$28,203
Federal French Funding	$0
Provincial Priority Targeted Funding	
Class Size Initiative	$681,650
Student Health Initiative (SHI)	$35,000
Alberta Initiative for School Improvement (AISI)	$544,172
High Speed Networking	$0
Children and Youth with Complex Needs	$0
Other Alberta Education Revenues (describe) Microsoft License Rebate ($3,961), 5/12 of O & M Funding $1,206,386)	$1,210,347
Total Alberta Education Revenues	$34,619,517

* Differential Cost Funding is based on distribution formulas designed to address variable cost factors and incremental costs associated with other variables and specific student populations. Included in differential cost funding are allocations for students with severe disabilities, English as a second language students, Francisation and support services for immigrant students, aboriginal students, gifted & talented early childhood services children and those with mild or moderate or severe disabilities, the percentage of the student population experiencing low socio-economic status, small schools by necessity, intra-jurisdiction distances, year to year enrolment fluctuations, small school board administration, schools located in the north, boarding, transportation, stabilization of funding, and cost differences among school jurisdictions for purchasing goods and services.

School Jurisdiction Code: 1110

SCHEDULE C the AFS

ECS to Grade 12 INSTRUCTION PROGRAMS Expense Details - 2004-2005

SUB-PROGRAMS & INITIATIVES	ECS to GRADE 12 Instruction						
	Certificated Remuneration	Uncertificated Remuneration	Services, Contracts & Supplies [1]	Learning Resources	Cost Recoveries & Transfers	Other Expenses [2]	TOTAL EXPENSES
School Administration & All Instruction Support	$18,168,735	$1,990,376	$1,776,076		$0	$909,052	$22,844,239
Mild & Moderate Disabilities/Gifted & Talented (ECS-12)	$674,100	$544,000	$70,000		$0		$1,288,100
ECS Program Unit (PUF)	$625,451	$942,982	$320,359		$0		$1,888,792
Severe Disabilities (Gr 1-12)	$673,700	$2,112,000	$396,964		$0		$3,182,664
English as a Second Language	$0	$0	$0		$0		$0
French Language Program & Francisation (all jurisdictions)	$0	$0	$0		$0		$0
First Nations, Metis and Inuit Education (ECS - Gr 12)	$0	$0	$0		$0		$0
Home Education	$0	$0	$7,115		$0		$7,115
Institutional Programs	$289,638	$106,115	$41,851		$0		$437,604
Alberta Initiative for School Improvement	$452,778	$0	$91,394	$0	$0		$544,172
Student Health Initiative	$0	$0	0		$0		$0
High Speed Networking			$0		$0		$0
Class Size	$681,650	$0	$0	$0	$0		$681,650
Children and Youth with Complex Needs (ECS - Gr 12)	$0	$0	$0		$0		$0
All Other Student Instruction Expenses (ECS - Gr 12)	$0	$0	$0	$0	$0	$0	$0
TOTAL EXPENSES	$21,566,052	$5,695,473	$2,703,759	$0	$0	$909,052	$30,874,336

FULL-TIME-EQUIVALENCIES (Board/Contract)	FTE Certificated	FTE Uncertificated
Mild & Moderate Disabilities/Gifted & Talented (ECS - Gr 12	9.0	17.0
ECS Program Unit (PUF)	4.3	29.5
Severe Disabilities (Gr 1-12)	13.0	66.0

Note 1 Excludes Learning Resources.

Note 2 Includes Net School Generated Funds, Amortization, Interest, and Losses on Disposal of Instruction Program Capital Assets.

School Jurisdiction Code: 1110

SCHEDULE D to the AFS
CALCULATION OF MAXIMUM ELIGIBLE EXPENSE LIMIT FOR BOARD (GOVERNANCE) AND SYSTEM ADMINISTRATION - 2004-2005

TOTAL EXPENSES	$41,219,206

STEP 1

Calculation of maximum expense limit PERCENTAGE for Board and System Administration expenses

If "Total Net Enrolled Students" are 6,000 and over	= 4%	4.65%
If "Total Net Enrolled Students" are 2,000 and less	= 6%	

The Maximum Expense Limit for Board and System Administration is based on an arithmetical proration for the TOTAL FTE count for grades 1 -12, net of Home Education AND Adult students, between 2,000 to 6,000 at .0005 per FTE.

EXAMPLE: 4,500 FTE count grades 1-12 = 6,000 - 4,500 = 1,500 X .0005 = 75% plus 4% = maximum expense limit of 4.75%.

Note: Calculation unnecessary if Total FTE is 6,000 or more, and 2,000 & less

STEP 2

Calculate maximum expense limit AMOUNTS for Board and System Administration expenses

Maximum Expense Limit percentage (Step 1) x TOTAL EXPENSES		$1,916,693
Considerations for Charter Schools and Small School Boards:		
If **Charter School**, enter $56,100	$0	$0
If **School Board**, please enter your 04-05 Gr 1- 12 funded enrolment	0	
	$0	$0
MAXIMUM EXPENSE LIMIT		$1,916,693

STEP 3

Compare maximum expense limit amounts calculated in Step 2 to actual expenses (from Schedule A)

Actual Board Governance & System Administration expenses	$1,372,658
PLUS: transfers to Restricted - Operating (Board/System Administration)	$97,626
LESS: transfers from Restricted - Operating (Board/System Administration)	$0
TOTAL BOARD GOVERNANCE & SYSTEM ADMINISTRATION EXPENSES	$1,470,284
MAXIMUM EXPENSE LIMIT	$1,916,693
ACTUAL EXPENSES - OVER(UNDER) MAXIMUM EXPENSE LIMIT	-$446,409

School Jurisdiction Code: 1110

SCHEDULE E to the AFS
SOURCE & APPLICATION OF SCHOOL GENERATED FUNDS (SGF) - 2004-2005

Unexpended SGF - Opening Balance August 31, 2004 (Note 1)				$298,110
Source of Net School Generated Funds:	**Gross SGF**	**Related Expenses**	**Net SGF**	
Fundraising activities	$721,606	$561,875	$159,731	
Student fees (Non-Instructional) (Note 2)	$469,590		$469,590	
Donations and grants to schools	$41,848		$41,848	
Other (describe) Grads, Tourments, Milk, Hot Lunch etc	$0	$0	$0	
Net Additions to SGF	$1,233,044	$561,875		$671,169
Net SGF Available for Discretionary Spending				$969,279
Application of Net School Generated Funds:				
Extra-curricular activities			$410,590	
School beautification			$0	
Field Trips			$194,751	
Equipment			$21,340	
Family literacy and other community resources			$0	
Other (describe) School Activities/Events, Interest Earned.			$0	
Net SGF Expended for Discretionary Purposes (Note 3)				$626,681
Unexpended SGF - Closing Balance August 31, 2005 (Note 4)				$342,598

School Generated Funds (SGF) are funds raised in the community for student activities that come under the control and responsibility of school management. These funds are usually collected and retained at the school for expenditures paid at the school level. SGF does not include fees with respect to instructional supplies or materials collected pursuant to Section 60(2)(j) of the *School Act*, and any other funds collected at the school but remitted to central office and accounted for by the jurisdiction (facility rentals, capital assets purchases, etc.)

Note 1 Input "(Restated)" beside Balance at August 31, 2004 where not taken from the finalized 2003-2004 Audited Financial Statements.

Note 2 Excludes fees collected pursuant to Section 60(2)(j) of the School Act (fees with respect to instructional supplies or materials - essentially textbooks, resource materials in lieu of textbooks, media, software, and materials for classrooms). Amounts collected for CEU-related activities are recorded as instruction resource fees, not SGF.

Note 3 Net SGF Expended for Discretionary Purposes is recorded as revenue and expense in the Statement of Revenues & Expenses.

Note 4 Unexpended SGF is carried forward to the Statement of Financial Position.

School Jurisdiction Code: 1110

SCHEDULE F to the AFS
Operations and Maintenance Program Expenses - 2004-2005

EXPENSES	Custodial	Maintenance	Utilities and Telecommunications	Expensed Mod./I.M.P. & Portable Relocations	Facility Planning & Operations Administration	SUB-TOTAL Operations & Maintenance	Supported Capital & Debt Services	TOTAL Operations and Maintenance
Uncertificated salaries and wages	$1,123,762	$327,081	$0	$0	$118,860	$1,569,703		$1,569,703
Uncertificated benefits	$243,617	$65,569	$0	$0	$29,347	$338,533		$338,533
Sub-total Remuneration	$1,367,379	$392,650	$0	$0	$148,207	$1,908,236		$1,908,236
Contracted Services	$0	$63,602	$10,831	$355,803	$1,683	$431,919		$431,919
Supplies	$89,721	$43,224	$0	$0	$12,075	$145,020		$145,020
Electricity			$336,746			$336,746		$336,746
Natural Gas/Heating Fuel			$441,235			$441,235		$441,235
Sewer and Water			$58,650			$58,650		$58,650
Telecommunications			$0			$0		$0
Insurance					$117,995	$117,995		$117,995
Amortization of capital assets								
Supported							$1,349,234	$1,349,234
Unsupported						$49,041		$49,041
Total Amortization						$49,041	$1,349,234	$1,398,275
Interest on capital debt								
Supported							$318,633	$318,633
Unsupported				$0		$0		$0
Other interest charges						$0		$0
Losses on disposal of capital assets						$0		$0
Cost recoveries & transfers						$0		$0
TOTAL EXPENSES	$1,457,100	$499,476	$847,462	$355,803	$279,960	$3,488,842	$1,667,867	$5,156,709
SQUARE METRES								
School Buildings								55,479.9
Non School Buildings								1,481.0
UNCERTIFICATED FTE'S (Board/Contract)	36.4	6.0						

Notes:

Custodial:	All expenses related to activities undertaken to keep the school environment clean and safe
Maintenance:	All expenses associated with the repair, replacement and minor construction of buildings, grounds and equipment components. This includes regular and preventative maintenance undertaken to ensure components reach or exceed their life cycle and the repair of broken components.
Utilities & Telecommunications:	All expenses related to electricity, natural gas and other heating fuels, sewer and water and all forms of telecommunications.
Expensed Block Mod/I.M.P. & Portable Relocations:	All expenses associated with non-capital activites related to Block Modernization, Infrastructure Maintenance Programs (AKA Building Quality Restoration Program) and portable relocations.
Facility Planning & Operations Administration:	All expenses related to the administration of operations and maintenance including (but not limited to) contract administration, clerical functions, negotiations, supervision of employees and contractors, administration of capital projects (including new schools, I.M.P., block modernization and portable relocations), administration of joint-use agreements, and all expenses related to ensuring compliance with health and safety statndards, codes and government regulations.
Supported Capital & Debt Services:	All expenses related to supported capital assets amortization and interest on supported capital debt.

School Jurisdiction Code: 1110

SCHEDULE G to the AFS
DISCLOSURE OF SALARIES AND BENEFITS - 2004-2005
(SECTION 148.1 OF THE SCHOOL ACT)

		FTEs	Remuneration	Benefits	Allowances	Performance Bonuses	ERIP's / Other	Total	Expenses
Chairperson:									
	Terry Jewell	1.0	$17,335	$469	$0			$17,804	$3,754
			$0	$0	$0			$0	
Other Board Members:									
	Bob Milligan	1.0	$16,436	$259	$0			$16,695	$3,536
	Careen Fundytus	1.0	$15,936	$420	$0			$16,356	$1,822
	Gail Homer	1.0	$18,186	$451	$0			$18,637	$5,384
	Fred Hrynchuk	1.0	$17,136	$429	$0			$17,565	$3,828
	Penny Fraizer	0.8	$13,955	$363	$0			$14,318	$2,133
	Wendy Miller	0.8	$13,905	$384	$0			$14,289	$3,065
	Micky Ross Carleton	0.2	$2,431	$51	$0			$2,482	$0
	Therese Gervais	0.2	$2,431	$0	$0			$2,431	$364
								$0	
								$0	
								$0	
								$0	
								$0	
								$0	
								$0	
								$0	
								$0	
								$0	
								$0	
Subtotal		*7.0*	*$117,751*	*$2,826*	*$0*			*$120,577*	*$23,886*
Superintendent	Evan Miller	1.0	$121,000	$7,319	$0	$0	$0	$128,319	$11,998
Board Secretary					$0	$0	$0	$0	$0
Board Treasurer	Karen Parasynchuk	1.0	$100,000	$16,282	$0	$0	$0	$116,282	$1,977
								$0	
								$0	
								$0	
								$0	
								$0	
Certificated Salaries		275.9	$19,874,182	$1,975,077	$0	$0	$0	$21,849,259	
Uncertificated Salaries & Wages		217.2	$6,904,636	$1,500,410	$0	$0	$0	$8,405,046	
TOTALS			**$27,117,569**	**$3,501,914**	**$0**	**$0**	**$0**	**$30,619,483**	

Note: Please refer to completion information on page 15

School Jurisdiction Code 0012

AUDITED
FINANCIAL STATEMENTS
and Supporting Schedules
FOR THE YEAR ENDED AUGUST 31, 2005
[School Act, Sections 147(2)(a), 148, 151(1) and 276]

Suzuki Charter School Society
Legal Name of School Jurisdiction

7211 - 96A Avenue
Mailing Address

(780) 468-2598 (780) 463-8630
Telephone and Fax Numbers

SCHOOL JURISDICTION MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The financial statements and supporting schedules Suzuki Charter School Society
(Name of School Jurisdiction)
presented to Alberta Learning have been prepared by school jurisdiction management which has responsibility for their preparation, integrity and objectivity. The financial statements and schedules, including notes, have been prepared in accordance with generally accepted accounting principles and Ministerial requirements for Alberta school jurisdictions.

In fulfilling its reporting responsibilities, management has maintained internal control systems and procedures designed to provide reasonable assurance that the school jurisdiction's assets are safeguarded, that transactions are executed in accordance with appropriate authorization and that accounting records may be relied upon to properly reflect the school jurisdiction's transactions. The effectiveness of the control systems is supported by the selection and training of qualified personnel, an organizational structure that provides an appropriate division of responsibility and a strong budgetary system of control.

Board of Trustees Responsibility
The ultimate responsibility for the financial statements lies with the Board of Trustees. The Board reviewed the financial statements with management in detail and the Board approved the financial statements for release.

External Auditors
The Board appoints external auditors to audit the financial statements and meets with the auditors to review their findings. The external auditors have full and free access to school jurisdiction records.

Declaration of Management and Board Chairman
To the best of our knowledge and belief, these financial statements and supporting schedules reflect, in all material respects, the financial position and results of operations and cash flows for the year in accordance with generally accepted accounting principles and Ministerial requirements for Alberta school jurisdictions.

BOARD CHAIRMAN

David Onyschuk	"ORIGINAL SIGNED"
Name	**Signature**

SUPERINTENDENT

Bruce McIntosh	"ORIGINAL SIGNED"
Name	**Signature**

SECRETARY TREASURER OR TREASURER

Heather Christison	"ORIGINAL SIGNED"
Name	**Signature**

22-Nov-05
Board-approved Release Date

c.c. **ALBERTA EDUCATION, School Reporting Branch,**
8th Floor Commerce Place, 10155-102 Street, Edmonton AB T5J 4L5
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THC
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AUDITORS' REPORT

To the Board of Directors
Suzuki Charter School Society

We have audited the statement of financial position of the Suzuki Charter School Society as at August 31, 2005 and the statements of revenues and expenses, cash flows, changes in net assets and capital allocations for the year then ended. These financial statements are the responsibility of the charter school's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the charter school as at August 31, 2005 and the results of its operations, changes in cash flows, net assets and capital allocations for the year then ended in accordance with Canadian generally accepted accounting principles.

Our audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplementary information included in Schedules A through G is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such supplementary information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

Tober Hembling Callihoo.
Chartered Accountants

Edmonton, Alberta

October 21, 2005

School Jurisdiction Code: 0012

STATEMENT OF FINANCIAL POSITION

as at August 31, 2005

(in dollars)

		2005	2004
ASSETS			
Current assets			
Cash and temporary investments		$37,118	$84,827
Accounts receivable (net after allowances)		$65,546	$281,529
Prepaid expenses		$5,262	$10,414
Other current assets		$0	$0
Total current assets		$107,926	$376,770
School generated assets		$26,251	$27,995
Trust assets		$0	$0
Long term accounts receivable		$0	$0
Long term investments		$0	$0
Capital assets			
Land		$0	$0
Buildings	$480,567		
Less: accumulated amortization	($23,346)	$457,221	$442,285
Equipment	$149,563		
Less: accumulated amortization	($73,904)	$75,659	$30,336
Vehicles	$0		
Less: accumulated amortization	$0	$0	$0
Total capital assets		$532,880	$472,621
TOTAL ASSETS		$667,057	$877,386
LIABILITIES			
Current liabilities			
Bank indebtedness		$0	$0
Accounts payable and accrued liabilities		$63,453	$299,683
Deferred revenue		$41,137	$44,262
Deferred capital allocations		$0	$439
Current portion of all long term debt		$0	$0
Total current liabilities		$104,590	$344,384
School generated liabilities		$26,251	$27,995
Trust liabilities		$0	$0
Employee future benefits liability		$0	$0
Long term payables and accrued liabilities		$0	$0
Long term debt			
Supported	Debentures and other supported debt	$0	$0
	Less: Current portion of supported debt	$0	$0
Unsupported	Debentures and Capital Loans	$0	$0
	Capital Leases	$0	$0
	Mortgages	$0	$0
	Less: Current portion of unsupported debt	$0	$0
Unamortized capital allocations		$410,738	$385,761
Total long term liabilities		$436,989	$413,756
TOTAL LIABILITIES		$541,579	$758,140
NET ASSETS			
Unrestricted net assets		$3,336	$32,385
Operating Reserves		$0	$0
Accumulated Operating Surplus (Deficit)		$3,336	$32,385
Investment in capital assets		$122,142	$86,861
Capital Reserves		$0	$0
Total Capital Funds		$122,142	$86,861
Total net assets		$125,478	$119,246
TOTAL LIABILITIES AND NET ASSETS		$667,057	$877,386

Note: Input "(Restated)" in 2004 column heading where comparatives are not taken from the finalized 2003-2004 Audited Financial Statements.

School Jurisdiction Code: 0012

STATEMENT OF REVENUES AND EXPENSES

for the Year Ended August 31, 2005

(in dollars)

	Actual 2005	Budget 2005 unaudited	Actual 2004
REVENUES			
Government of Alberta	$1,135,843	$1,079,124	$900,480
Federal Government and/or First Nations	$0	$6,000	$0
Other Alberta school authorities	$0	$0	$0
Out of province authorities	$0	$0	$0
Alberta Municipalities (excluding supplementary requisitions)	$0	$0	$0
Instruction resource fees	$12,100	$10,000	$9,100
Transportation fees	$0	$0	$0
Other sales and services	$58,699	$3,500	$49,634
Investment income	$348	$0	$385
Gifts and donations	$0	$0	$350
Rentals of facilities	$39,165	$38,288	$36,662
Net school generated funds	$24,301	$29,438	$98,860
Gains on disposal of capital assets	$0	$0	$0
Amortization of capital allocations	$0	$0	$0
Total Revenues	$1,270,456	$1,166,350	$1,095,471
EXPENSES			
Certificated salaries	$522,711	$494,200	$447,084
Certificated benefits	$59,235	$53,212	$50,929
Uncertificated salaries and wages	$202,623	$172,640	$124,825
Uncertificated benefits	$27,217	$29,056	$21,816
Services, contracts and supplies	$419,914	$387,804	$339,247
Net school generated funds	$24,301	$29,438	$98,860
Capital and debt services			
Amortization of capital assets			
Supported	$0	$0	$0
Unsupported	$7,548	$0	$18,552
Total Amortization of capital assets	$7,548	$0	$18,552
Interest on capital debt			
Supported	$0	$0	$0
Unsupported	$0	$0	$1,017
Total Interest on capital debt	$0	$0	$1,017
Other interest charges	$675	$0	$548
Losses on disposal of capital assets	$0	$0	$0
Total Expenses	$1,264,224	$1,166,350	$1,102,878
SURPLUS (DEFICIT) OF REVENUES OVER EXPENSES BEFORE EXTRAORDINARY ITEM	$6,232	$0	($7,407)
Extraordinary Item	$0	$0	$0
SURPLUS (DEFICIT) OF REVENUES OVER EXPENSES	$6,232	$0	($7,407)

Note: Input "(Restated)" in Budget 2005 and/or Actuals 2004 column headings where comparatives are not taken from the respective finalized 2004-2005 Budget Report and/or finalized 2003-2004 Audited Financial Statements.

School Jurisdiction Code: 0012

STATEMENT OF CASH FLOWS

for the Year Ended August 31, 2005

(in dollars)

	2005	2004
CASH FLOWS FROM:		
A. OPERATIONS		
Surplus (deficit) of revenues over expenses for the year	$6,232	($7,407)
Add (Deduct) items not requiring cash:		
Amortization of capital allocations revenue	$0	$0
Total amortization expense	$7,548	$18,552
Gains on disposal of capital assets	$0	$0
Losses on sale of capital assets	$0	$0
Changes in accrued accounts:		
Accounts receivable	$215,983	($238,364)
Prepaids and other current assets	$5,152	($8,356)
Long term accounts receivable	$0	$0
Long term investments	$0	$0
Payables and accrued liabilities	($236,230)	$263,588
Deferred revenue	($3,125)	$34,618
Employee future benefit expense (recovery)	$0	$0
Other (describe)	$0	$0
Total sources (uses) of cash from Operations	($4,440)	$62,631
B. INVESTING ACTIVITIES		
Purchases of capital assets		
Land	$0	$0
Buildings	($18,010)	($385,761)
Equipment	($49,797)	$0
Vehicles	$0	$0
Net proceeds from disposal of capital assets	$0	$30,672
Other (describe)	$0	$0
Total sources (uses) of cash from Investing activities	($67,807)	($355,089)
C. FINANCING ACTIVITIES		
Capital allocations	$24,538	$386,200
Issue of long term debt	$0	$0
Repayment of long term debt	$0	($38,605)
Add back: supported portion	$0	$0
Other (describe)	$0	$0
Total sources (uses) of cash from Financing activities	$24,538	$347,595
Net sources (uses) of cash during year	($47,709)	$55,137
Cash and temporary investments, net of bank indebtedness, at Aug. 31/04	$84,827	$29,690
Cash and temporary investments, net of bank indebtedness, at Aug. 31/05	$37,118	$84,827

Note: 1 Input "(Restated)" in 2004 column heading where not taken from the finalized 2003-2004 Audited Financial Statements.

2 Cash and temporary investments are net of cash obligations.

School Jurisdiction 0012

STATEMENT OF CHANGES IN NET ASSETS
for the Year Ended August 31, 2005

(in dollars)

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
	TOTAL NET ASSETS Cols. 2+3+4	**INVESTMENT IN CAPITAL ASSETS**	**UNRESTRICTED NET ASSETS**	**TOTAL INTERNALLY RESTRICTED NET ASSETS** Cols. 5 to 14	**INTERNALLY RESTRICTED NET ASSETS**									
					School Based		**Infrastructure**		**Board & System Admin.**		**Transportation**		**External Services**	
					Operating Reserves	Capital Reserves	O& M Operating Reserves	Capital Reserves	Operating Reserves	Capital Reserves	Operating Reserves	Capital Reserves	Operating Reserves	Capital Reserves
Balance at August 31, 2004	$119,246	$86,861	$32,385	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Prior period adjustments (describe)														
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Adjusted Balance,Aug.31, 2004	$119,246	$86,861	$32,385	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Surplus(def) of revenue over expense	$6,232		$6,232											
Board funded capital transactions		$42,829	($42,829)	$0	$0	$0			$0	$0	$0	$0	$0	$0
Direct credits to net assets	$0	$0												
Amortization of capital assets		($7,548)	$7,548											
Amortization of capital allocations		$0	$0											
Disposal of unsupported capital asset	$0	$0	$0	$0		$0		$0		$0		$0		$0
Disposal of supported capital assets (board funded portion)	$0	$0	$0	$0		$0		$0		$0		$0		$0
Debt principal payments (unsupported)		$0	$0											
Net transfers to operating reserves			$0	$0	$0		$0		$0		$0		$0	
Net transfers from operating reserves			$0	$0	$0		$0		$0		$0		$0	
Net transfers to capital reserves			$0	$0		$0				$0		$0		$0
Net transfers from capital reserves			$0	$0		$0		$0		$0		$0		$0
Balance at August 31, 2005	$125,478	$122,142	$3,336	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0

School Jurisdiction Code: 0012

STATEMENT OF CAPITAL ALLOCATIONS
(SUPPORTED CAPITAL FINANCING ONLY)
for the Year Ended August 31, 2005

(in dollars)

	Deferred Capital Allocations	Unamortized Capital Allocations
Balance at August 31, 20	$439	$385,761
Prior period adjustment	$0	$0
Adjusted balance, August 31, 2004	$439	$385,761
Add:		
Capital allocations from: Infrastructure and Transportation-New/Modernization Projects	$24,538	
Other Government of Alberta	$0	
Federal Government and/or First Nations	$0	
Other sources	$0	
Interest earned on provincial government capital allocations	$0	
Other capital grants and donations	$0	
Proceeds on disposal of supported capital assets	$0	
Insurance proceeds	$0	
Donated capital assets (amortizable, at Fair Market Value)		$0
Transferred in capital assets (amortizable, at Net Book Value)		$0
Current Year Debenture Principal Repayment		$0
Expended capital allocations - current year	($24,977)	$24,977
Less:		
Unamortized Capital Allocation affected by a disposal through transfer out		$0
Capital allocations amortized to revenue		$0
Balance at August 31, 2005	$0	$410,738

SUZUKI CHARTER SCHOOL SOCIETY

Notes to Financial Statements
August 31, 2005

1. Authority and Purpose

The Society delivers education programs under the authority of the School Act, Revised Statutes of Alberta 2000, Chapter S-3.

The Society receives block allocations for instruction and support under Regulation 77/2003. The regulation allows for the setting of conditions and use of grant monies. The Society is limited on certain funding allocations and administration expenses.

2. Significant Accounting Policies

a) Revenue Recognition

Revenue is recognized as follows:

Instruction and support allocations are recognized in the year to which they relate.

Fees for services related to courses and programs are recognized as revenue when such courses and programs are delivered.

Unrestricted contributions are recognized as revenue when received or receivable.

Externally restricted contributions are deferred and recognized as revenue in the period in which the restriction is complied with.

b) School Generated Funds

These are funds raised in the community, which come under the control and responsibility of the school principal and are for school activities. These funds are usually collected and retained at the school for expenditures paid at the school level.

c) Contributed Services

Volunteers assist the Society in carrying out certain activities. Because of the difficulty of determining their fair value and of the fact that such assistance is generally not otherwise purchased, contributed services are not recognized in the financial statements.

d) Capital Assets

Capital assets are amortized commencing in the fiscal year following the year of acquisition on a straight line basis over the estimated useful life of the asset as follows

Buildings	25 years
Computer equipment	5 years
Musical equipment	10 years
Stage equipment	10 years

Only capital assets with cost in excess of $5,000 are capitalized. Any capital allocations received for asset additions are amortized over the same period as the related asset.

SUZUKI CHARTER SCHOOL SOCIETY

Notes to Financial Statements
August 31, 2005

2. Significant Accounting Policies (continued)

e) Financial Instruments

The Society's financial instruments consist of cash, accounts receivable, accounts payable, and accrued liabilities. It is management's opinion that the Society is not exposed to significant interest, currency or credit risks arising from these financial instruments. Unless otherwise noted, the fair values of these financial instruments approximate their carrying values. The Society has invested surplus funds in accordance with Section 60 of the School Act and Section 5 of the Trustees Act.

f) Measurement Uncertainty

These financial statements have been prepared in accordance with Canadian generally accepted accounting principles (GAAP) and accounting policies consistent with those prescribed by Alberta Learning for Alberta school jurisdictions. The precise determination of many assets and liabilities is dependent on future events. As a result, the preparation of financial statements for a period involves the use of estimates and approximations, which have been made using careful judgement. Actual results could differ from those estimates and approximations. The financial statements have, in management's opinion, been properly prepared within reasonable limits of materiality and within the framework of the accounting policies summarized in these notes.

g) Pensions

The current service and past service costs of the Alberta Teacher Retirement Fund are met by contributions by active members and the Government of Alberta. Under the terms of the Teacher Pension Plan Act, Suzuki Charter School Society does not make pension contributions for certificated staff.

3. Capital Assets

	Cost	Accumulated Amortization	Net Book Value 2005	Net Book Value 2004
Buildings	$ 480,567	$ 23,346	$ 457,221	$ 442,285
Equipment				
Computer equipment	$ 55,020	$ 55,020	$ 0	$ 0
Musical equipment	30,860	4,920	25,940	5,903
Other equipment	63,683	13,964	49,719	24,433
Total equipment	$ 149,563	$ 73,904	$ 75,659	$ 30,336

SUZUKI CHARTER SCHOOL SOCIETY

Notes to Financial Statements
August 31, 2005

4. Accounts Receivable

Accounts receivable consists of the following:

	2005	2004
Alberta Infrastructure and Transportation	$46,633	$240,691
Federal Government	16,972	25,893
Other	1,941	14,945
	$65,546	$281,529

5. Deferred Revenue

Deferred revenue consists of the following:

	2005	2004
Alberta Learning plant operations and maintenance grant	$41,137	$ -
Alberta Infrastructure plant operations and maintenance grant	-	44,262
	$41,137	$44,262

6. Deferred Capital Allocations

Deferred capital allocations represent externally-restricted supported capital funds provided for a specific capital purpose that have been received or are receivable by the Society, but the related expenditure has not yet been made at year-end. These unspent deferred capital allocations are not amortized until the expenditure has been made and it is at that time that the balance is transferred to the unamortized capital allocations account.

7. Unamortized Capital Allocations

Unamortized capital allocations represent externally-restricted supported capital funds that have been spent, but have yet to be amortized over the useful life of the applicable capital asset to which the restricted capital allocations apply. The unamortized capital allocations account balance is increased by transfers of previously deferred capital allocations now spent.

8. Budget Amounts

The budget was prepared by the Charter School's management and approved by the Board of Directors'. It is presented for information purposes only and has not been audited.

9. Economic Dependence

Suzuki Charter School Society's primary source of income is from the Alberta Government. The ability to continue viable operations is dependent on this funding.

10. Comparative Figures

Comparative figures have been reclassified where necessary to conform with current year presentation.

SCHEDULE A to the AFS

ALLOCATION OF REVENUES AND EXPENSES TO PROGRAMS - 2004-2005

School Jurisdiction Cod 0012

REVENUES	TOTAL	ECS to Grade 12 Instruction	Operations and Maintenance of Schools & Maintenance Shops	Transportation	Board & System Admin.	External Services
(1) **Alberta Education Revenues**	$969,438	$764,439	$77,724	$51,175	$56,100	$0
Alberta Infrastructure and Transportation						
(2) Infrastructure Maintenance Program & Portable Relocations support	$0	$0	$0			
(3) Regular Operations & Maintenance support	$166,405		$166,405			
(4) Other support	$0	$0	$0			
(5) **Total Alberta Infrastructure and Transportation Revenues**	$166,405	$0	$166,405			
(6) **Alberta Finance**	$0		$0			$0
(7) **Other - Government of Alberta**	$0	$0	$0	$0	$0	$0
(8) **Federal Government and/or First Nations**	$0	$0	$0	$0	$0	$0
(9) **Other Alberta school authorities**	$0	$0	$0	$0	$0	$0
(10) **Out of province authorities**	$0	$0	$0	$0	$0	$0
(11) **Alberta municipalities** (excl. supplementary requisitions)	$0	$0	$0	$0	$0	$0
(12) **Instruction resource fees**	$12,100	$12,100				
(13) **Transportation fees**	$0			$0		
(14) **Other sales and services**	$58,699	$1,595	$0	$0	$0	$57,104
(15) **Investment income**	$348	$348	$0	$0	$0	$0
(16) **Gifts and donations**	$0	$0	$0	$0		$0
(17) **Rentals of facilities**	$39,165	$39,165	$0	$0	$0	$0
(18) **Net school generated funds**	$24,301	$24,301			$0	
(19) **Gains on disposal of capital assets**	$0	$0	$0	$0	$0	$0
(20) **Amortization of capital allocations**	$0	$0	$0	$0		$0
(21) **TOTAL REVENUES**	$1,270,456	$861,948	$244,129	$51,175	$56,100	$57,104
EXPENSES						
(22) **Certificated salaries**	$522,711	$495,859			$12,000	$14,852
(23) **Certificated benefits**	$59,235	$57,297			$328	$1,610
(24) **Uncertificated salaries and wages**	$202,623	$123,072	$25,809	$0	$30,404	$23,338
(25) **Uncertificated benefits**	$27,217	$19,392	$3,312	$0	$4,020	$493
(26) **SUB - TOTAL**	$811,786	$695,620	$29,121	$0	$46,752	$40,293
(27) **Services, contracts & supplies**	$419,914	$139,347	$211,935	$51,184	$5,257	$12,191
(28) **Cost recoveries & charges to programs**	$0	($2,302)	$0	($9)	$2,311	$0
(29) **Net school generated funds**	$24,301	$24,301				
Capital and debt services						
Amortization of capital assets						
(30) Supported	$0	$0	$0	$0	$0	$0
(31) Unsupported	$7,548	$4,475	$3,073	$0	$0	$0
(32) Total Amortization	$7,548	$4,475	$3,073	$0	$0	$0
Interest on capital debt						
(33) Supported	$0	$0	$0	$0	$0	$0
(34) Unsupported	$0	$0	$0	$0	$0	$0
(35) Other interest charges	$675	$507	$0	$0	$0	$168
(36) Losses on disposal of capital assets	$0	$0	$0	$0	$0	$0
(37) **TOTAL EXPENSES**	$1,264,224	$861,948	$244,129	$51,175	$54,320	$52,652
(38) **SURPLUS (DEFICIT) BEFORE EXTRAORDINARY ITEM**	$6,232	$0	$0	$0	$1,780	$4,452

School Jurisdiction Code: 0012

SCHEDULE B to the AFS
ALBERTA EDUCATION REVENUES 2004-2005

	TOTAL
Base Funding	
Early Childhood Services (ECS)	$98,831
Base Instruction (Gr 1-12)	$582,234
Outreach Programs	$0
Home Education	$0
Differential Cost Funding *	$175,678
Other Provincial Support	
Institutional Programs	$0
Regional Consortium (6 boards) and Regional Educational Consulting Services (4 boards)	$0
Learning Resources Credit	$1,332
Federal French Funding	$961
Provincial Priority Targeted Funding	
Class Size Initiative	$15,410
Student Health Initiative (SHI)	$0
Alberta Initiative for School Improvement (AISI)	$14,268
High Speed Networking	$0
Children and Youth with Complex Needs	$0
Other Alberta Education Revenues (describe) Classroom textbooks, and Alberta Learning portion of O & M	$80,724
Total Alberta Education Revenues	$969,438

* Differential Cost Funding is based on distribution formulas designed to address variable cost factors and incremental costs associated with other variables and specific student populations. Included in differential cost funding are allocations for students with severe disabilities, English as a second language students, Francisation and support services for immigrant students, aboriginal students, gifted & talented early childhood services children and those with mild or moderate or severe disabilities, the percentage of the student population experiencing low socio-economic status, small schools by necessity, intra-jurisdiction distances, year to year enrolment fluctuations, small school board administration, schools located in the north, boarding, transportation, stabilization of funding, and cost differences among school jurisdictions for purchasing goods and services.

School Jurisdiction Code: 0012

SCHEDULE C the AFS

ECS to Grade 12 INSTRUCTION PROGRAMS Expense Details - 2004-2005

SUB-PROGRAMS & INITIATIVES	ECS to GRADE 12 Instruction						
	Certificated Remuneration	Uncertificated Remuneration	Services, Contracts & Supplies [1]	Learning Resources	Cost Recoveries & Transfers	Other Expenses [2]	TOTAL EXPENSES
School Administration & All Instruction Support	$0	$113,440	$86,554		$1,202	$29,283	$230,479
Mild & Moderate Disabilities/Gifted & Talented (ECS-12)	$0	$0	$0		$0		$0
ECS Program Unit (PUF)	$0	$0	$0		$0		$0
Severe Disabilities (Gr 1-12)	$0	$22,909	$510		$0		$23,419
English as a Second Language	$5,205	$0	$0		$0		$5,205
French Language Program & Francisation (all jurisdictions)	$51,960	$0	$5,255		$0		$57,215
First Nations, Metis and Inuit Education (ECS - Gr 12)	$0	$0	$0		$0		$0
Home Education	$0	$0	$0		$0		$0
Institutional Programs	$0	$0	$0		$0		$0
Alberta Initiative for School Improvement	$0	$6,115	$9,355	$0	($1,202)		$14,268
Student Health Initiative	$0	$0	$0		$0		$0
High Speed Networking			$0		$0		$0
Class Size	$0	$0	$8,000	$7,410	$0		$15,410
Children and Youth with Complex Needs (ECS - Gr 12)	$0	$0	$0		$0		$0
All Other Student Instruction Expenses (ECS - Gr 12)	$495,991	$0	$13,960	$8,303	($2,302)	$0	$515,952
TOTAL EXPENSES	$553,156	$142,464	$123,634	$15,713	($2,302)	$29,283	$861,948

FULL-TIME-EQUIVALENCIES (Board/Contract)	FTE Certificated	FTE Uncertificated
Mild & Moderate Disabilities/Gifted & Talented (ECS - Gr 12	0.0	0.0
ECS Program Unit (PUF)	0.0	0.0
Severe Disabilities (Gr 1-12)	0.0	1.0

Note 1 Excludes Learning Resources.

Note 2 Includes Net School Generated Funds, Amortization, Interest, and Losses on Disposal of Instruction Program Capital Assets.

School Jurisdiction Code: 0012

SCHEDULE D to the AFS
CALCULATION OF MAXIMUM ELIGIBLE EXPENSE LIMIT FOR BOARD (GOVERNANCE) AND SYSTEM ADMINISTRATION - 2004-2005

TOTAL EXPENSES	**$1,264,224**

STEP 1

Calculation of maximum expense limit PERCENTAGE for Board and System Administration expenses

If "Total Net Enrolled Students" are 6,000 and over	= 4%	**0.00%**
If "Total Net Enrolled Students" are 2,000 and less	= 6%	

The Maximum Expense Limit for Board and System Administration is based on an arithmetical proration for the TOTAL FTE count for grades 1 -12, net of Home Education AND Adult students, between 2,000 to 6,000 at .0005 per FTE

EXAMPLE 4,500 FTE count grades 1-12 = 6,000 - 4,500 = 1,500 X .0005 = .75% plus 4% = maximum expense limit of 4.75%

Note Calculation unnecessary if Total FTE is 6,000 or more, and 2,000 & less

STEP 2

Calculate maximum expense limit AMOUNTS for Board and System Administration expenses

Maximum Expense Limit percentage (Step 1) x TOTAL EXPENSES		$0
Considerations for Charter Schools and Small School Boards:		
If **Charter School**, enter $56,100	$56,100	$56,100
If **School Board**, please enter your 04-05 Gr 1- 12 funded enrolment	0	
	$0	$0
MAXIMUM EXPENSE LIMIT		**$56,100**

STEP 3

Compare maximum expense limit amounts calculated in Step 2 to actual expenses (from Schedule A)

Actual Board Governance & System Administration expenses	$54,320
PLUS transfers to Restricted - Operating (Board/System Administration)	$0
LESS transfers from Restricted - Operating (Board/System Administration)	$0
TOTAL BOARD GOVERNANCE & SYSTEM ADMINISTRATION EXPENSES	$54,320
MAXIMUM EXPENSE LIMIT	$56,100
ACTUAL EXPENSES - OVER(UNDER) MAXIMUM EXPENSE LIMIT	-$1,780

School Jurisdiction Code: 0012

SCHEDULE E to the AFS
SOURCE & APPLICATION OF SCHOOL GENERATED FUNDS (SGF) - 2004-2005

	Gross SGF	Related Expenses	Net SGF	
Unexpended SGF - Opening Balance August 31, 2004 (Note 1)				$27,995
Source of Net School Generated Funds:				
Fundraising activities	$19,309	$12,622	$6,687	
Student fees (Non-Instructional) (Note 2)	$15,868		$15,868	
Donations and grants to schools	$0		$0	
Other (describe) interest	$2	$0	$2	
Net Additions to SGF	$35,179	$12,622		$22,557
Net SGF Available for Discretionary Spending				$50,552
Application of Net School Generated Funds:				
Extra-curricular activities			$2,530	
School beautification			$0	
Field Trips			$17,023	
Equipment			$4,743	
Family literacy and other community resources			$0	
Other (describe) bank charges			$5	
Net SGF Expended for Discretionary Purposes (Note 3)				$24,301
Unexpended SGF - Closing Balance August 31, 2005 (Note 4)				$26,251

School Generated Funds (SGF) are funds raised in the community for student activities that come under the control and responsibility of school management. These funds are usually collected and retained at the school for expenditures paid at the school level. SGF does not include fees with respect to instructional supplies or materials collected pursuant to Section 60(2)(j) of the *School Act*, and any other funds collected at the school but remitted to central office and accounted for by the jurisdiction (facility rentals, capital assets purchases, etc.)

Note 1 Input "(Restated)" beside Balance at August 31, 2004 where not taken from the finalized 2003-2004 Audited Financial Statements.

Note 2 Excludes fees collected pursuant to Section 60(2)(j) of the School Act (fees with respect to instructional supplies or materials - essentially textbooks, resource materials in lieu of textbooks, media, software, and materials for classrooms). Amounts collected for CEU-related activities are recorded as instruction resource fees, not SGF.

Note 3 Net SGF Expended for Discretionary Purposes is recorded as revenue and expense in the Statement of Revenues & Expenses.

Note 4 Unexpended SGF is carried forward to the Statement of Financial Position.

School Jurisdiction Code: 0012

SCHEDULE F to the AFS
Operations and Maintenance Program Expenses - 2004-2005

EXPENSES	Custodial	Maintenance	Utilities and Telecommunications	Expensed Mod./I.M.P. & Portable Relocations	Facility Planning & Operations Administration	SUB-TOTAL Operations & Maintenance	Supported Capital & Debt Services	TOTAL Operations and Maintenance
Uncertificated salaries and wages	$0	$0	$0	$0	$25,809	$25,809		$25,809
Uncertificated benefits	$0	$0	$0	$0	$3,312	$3,312		$3,312
Sub-total Remuneration	$0	$0	$0	$0	$29,121	$29,121		$29,121
Contracted Services	$24,010	$161,943	$0	$0	$0	$185,953		$185,953
Supplies	$0	$430	$0	$0	$12,234	$12,664		$12,664
Electricity			$0			$0		$0
Natural Gas/Heating Fuel			$0			$0		$0
Sewer and Water			$0			$0		$0
Telecommunications			$8,040			$8,040		$8,040
Insurance					$5,278	$5,278		$5,278
Amortization of capital assets								
Supported							$0	$0
Unsupported						$3,073		$3,073
Total Amortization						$3,073	$0	$3,073
Interest on capital debt								
Supported							$0	$0
Unsupported				$0		$0		$0
Other interest charges						$0		$0
Losses on disposal of capital assets						$0		$0
Cost recoveries & transfers						$0		$0
TOTAL EXPENSES	$24,010	$162,373	$8,040	$0	$46,633	$244,129	$0	$244,129
SQUARE METRES								
School Buildings								2,158.7
Non School Buildings								0.0
UNCERTIFICATED FTE'S (Board/Contract)	0.0	0.5						

Notes:

Custodial:	All expenses related to activities undertaken to keep the school environment clean and safe
Maintenance:	All expenses associated with the repair, replacement and minor construction of buildings, grounds and equipment components. This includes regular and preventative maintenance undertaken to ensure components reach or exceed their life cycle and the repair of broken components
Utilities & Telecommunications:	All expenses related to electricity, natural gas and other heating fuels, sewer and water and all forms of telecommunications
Expensed Block Mod/I.M.P. & Portable Relocations:	All expenses associated with non-capital activites related to Block Modernization, Infrastructure Maintenance Programs (AKA Building Quality Restoration Program) and portable relocations
Facility Planning & Operations Administration:	All expenses related to the administration of operations and maintenance including (but not limited to) contract administration, clerical functions, negotiations, supervision of employees and contractors, administration of capital projects (including new schools, I.M.P., block modernization and portable relocations), administration of joint-use agreements, and all expenses related to ensuring compliance with health and safety statndards, codes and government regulations
Supported Capital & Debt Services:	All expenses related to supported capital assets amortization and interest on supported capital debt

School Jurisdiction Code: 0012

SCHEDULE G to the AFS
DISCLOSURE OF SALARIES AND BENEFITS - 2004-2005
(SECTION 148.1 OF THE SCHOOL ACT)

		FTEs	Remuneration	Benefits	Allowances	Performance Bonuses	ERIP's / Other	Total	Expenses
Chairperson:									
Name	David Onyschuk	1.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Other Board Members:									
Name	Zolton Berkes	1.0	$0	$0	$0			$0	$0
Name	Keith DeSouza	1.0	$0	$0	$0			$0	$0
Name	Doug Farrus	1.0	$0	$0	$0			$0	$0
Name	Rob Fediuk	1.0	$0	$0	$0			$0	$0
Name	Tony Hollihan	1.0	$0	$0	$0			$0	$0
Name	Katherine Kubica	1.0	$0	$0	$0			$0	$0
Name	Clive Martin	1.0	$0	$0	$0			$0	$0
Name	Sandy Readman	0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Subtotal		*8.0*	*$0*	*$0*	*$0*			*$0*	*$0*
Superintendent	Bruce McIntosh	1.0	$12,000	$328	$0	$0	$0	$12,328	$3,443
Superintendent		0.0	$0	$0	$0	$0	$0	$0	$0
Secretary/Treasurer	Heather Christison	1.0	$56,213	$7,332	$0	$0	$0	$63,545	$0
Secretary/Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Board Secretary		0.0	$0	$0	$0	$0	$0	$0	$0
Board Secretary		0.0	$0	$0	$0	$0	$0	$0	$0
Board Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Board Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Certificated Salaries		9.5	$510,711	$58,907	$0	$0	$0	$569,618	
Uncertificated Salaries & Wages		4.8	$146,410	$19,885	$0	$0	$0	$166,295	
TOTALS			**$725,334**	**$86,452**	**$0**	**$0**	**$0**	**$811,786**	

Note: Please refer to completion information on page 15.

School Jurisdiction Code 0109

AUDITED
FINANCIAL STATEMENTS
and Supporting Schedules
FOR THE YEAR ENDED AUGUST 31, 2005
[School Act, Sections 147(2)(a), 148, 151(1) and 276]

Westmount Charter School Society
Legal Name of School Jurisdiction

2519 Richmond Road SW, Calgary AB T3E 4M2
Mailing Address

Phone: 403/217-0426 Fax: 403/217-0252
Telephone and Fax Numbers

SCHOOL JURISDICTION MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The financial statements and supporting schedules Westmount Charter School Society (Name of School Jurisdiction) presented to Alberta Learning have been prepared by school jurisdiction management which has responsibility for their preparation, integrity and objectivity. The financial statements and schedules, including notes, have been prepared in accordance with generally accepted accounting principles and Ministerial requirements for Alberta school jurisdictions.

In fulfilling its reporting responsibilities, management has maintained internal control systems and procedures designed to provide reasonable assurance that the school jurisdiction's assets are safeguarded, that transactions are executed in accordance with appropriate authorization and that accounting records may be relied upon to properly reflect the school jurisdiction's transactions. The effectiveness of the control systems is supported by the selection and training of qualified personnel, an organizational structure that provides an appropriate division of responsibility and a strong budgetary system of control.

Board of Trustees Responsibility
The ultimate responsibility for the financial statements lies with the Board of Trustees. The Board reviewed the financial statements with management in detail and the Board approved the financial statements for release.

External Auditors
The Board appoints external auditors to audit the financial statements and meets with the auditors to review their findings. The external auditors have full and free access to school jurisdiction records.

Declaration of Management and Board Chairman
To the best of our knowledge and belief, these financial statements and supporting schedules reflect, in all material respects, the financial position and results of operations and cash flows for the year in accordance with generally accepted accounting principles and Ministerial requirements for Alberta school jurisdictions.

BOARD CHAIRMAN

Name	Signature
T. D. Regehr	"ORIGINAL SIGNED"

SUPERINTENDENT

Name	Signature
M. O. Kurtz	"ORIGINAL SIGNED"

SECRETARY TREASURER OR TREASURER

Name	Signature
M. A O'Hara	"ORIGINAL SIGNED"

17-Nov-05
Board-approved Release Date

c.c. **ALBERTA EDUCATION, School Reporting Branch,**
8th Floor Commerce Place, 10155-102 Street, Edmonton AB T5J 4L5
EMAIL: Cindy.Jarry@gov.ab.ca
PHONE: (780) 427-7782 FAX: (780) 422-6996

LAWRENCE A. LIM
Chartered Accountant

Suite 210, 701 - 14th Street N.W.
Calgary, Alberta T2N 2A4
Tel: (403) 270-7550
Fax: (403) 670-7280
Email: larry.lim@lhlacct.com

AUDITOR'S REPORT

To the Members of the Board
Westmount Charter School Society

I have audited the statement of financial position of the Westmount Charter School Society as at August 31, 2005 and the statements of revenue and expenses, cash flows, changes in net assets and capital allocations for the year then ended. These financial statements are the responsibility of the Society's management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I plan and perform an audit to obtain reasonable assurance whether the financial statements are free from material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating overall financial statement presentation.

In my opinion these financial statements present fairly, in all material respects, the financial position of the Society as at August 31, 2005 and the results of its operations, changes in cash flows, net assets and capital allocations for the year then ended in accordance with Canadian generally accepted accounting principles.

My audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplementary information included in the schedules A through G is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such supplementary information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in my opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

"original signed"

Calgary, Alberta
November 2, 2005

Chartered Accountant

School Jurisdiction Code: 0109

STATEMENT OF FINANCIAL POSITION

as at August 31, 2005

(in dollars)

		2005	2004
ASSETS			
Current assets			
Cash and temporary investments		$381,119	$298,596
Accounts receivable (net after allowances)		$174,209	$756,593
Prepaid expenses		$111,630	$75,509
Other current assets		$0	$0
Total current assets		$666,958	$1,130,698
School generated assets		$31,643	$30,555
Trust assets		$0	
Long term accounts receivable		$0	$0
Long term investments		$0	$0
Capital assets			
Land		$0	$0
Buildings	$0		
Less: accumulated amortization	$0	$0	$0
Equipment	$0		
Less: accumulated amortization	$0	$0	$0
Vehicles	$0		
Less: accumulated amortization	$0	$0	$0
Total capital assets		$0	$0
TOTAL ASSETS		$698,601	$1,161,253
LIABILITIES			
Current liabilities			
Bank indebtedness		$0	$0
Accounts payable and accrued liabilities		$241,253	$614,490
Deferred revenue		$144,770	$147,968
Deferred capital allocations		$0	$0
Current portion of all long term debt		$0	$0
Total current liabilities		$386,023	$762,458
School generated liabilities		$31,643	$30,555
Trust liabilities		$0	$0
Employee future benefits liability		$0	$0
Long term payables and accrued liabilities		$0	$0
Long term debt			
Supported: Debentures and other supported debt		$0	$0
Less: Current portion of supported debt		$0	$0
Unsupported: Debentures and Capital Loans		$0	$0
Capital Leases		$0	$0
Mortgages		$0	$0
Less: Current portion of unsupported debt		$0	$0
Unamortized capital allocations		$0	$0
Total long term liabilities		$31,643	$30,555
TOTAL LIABILITIES		$417,666	$793,013
NET ASSETS			
Unrestricted net assets		$169,565	$244,083
Operating Reserves		$111,370	$124,157
Accumulated Operating Surplus (Deficit)		$280,935	$368,240
Investment in capital assets		$0	$0
Capital Reserves		$0	$0
Total Capital Funds		$0	$0
Total net assets		$280,935	$368,240
TOTAL LIABILITIES AND NET ASSETS		$698,601	$1,161,253

Note: Input "(Restated)" in 2004 column heading where comparatives are not taken from the finalized 2003-2004 Audited Financial Statements.

School Jurisdiction Code: 0109

STATEMENT OF REVENUES AND EXPENSES

for the Year Ended August 31, 2005

(in dollars)

	Actual 2005	Budget 2005	Actual 2004
REVENUES			
Government of Alberta	$6,818,570	$7,123,987	$6,540,118
Federal Government and/or First Nations	$0	$0	$0
Other Alberta school authorities	$0	$0	$92,527
Out of province authorities	$0	$0	$0
Alberta Municipalities (excluding supplementary requisitions)	$0	$0	$0
Instruction resource fees	$196,045	$199,590	$191,481
Transportation fees	$197,177	$131,500	$98,611
Other sales and services	$21,483	$0	$53,173
Investment income	$13,366	$8,000	$15,290
Gifts and donations	$66,719	$0	$102,980
Rentals of facilities	$3,000	$3,000	$3,000
Net school generated funds	$107,145	$50,000	$17,466
Gains on disposal of capital assets	$0	$0	$0
Amortization of capital allocations	$0	$0	$0
Total Revenues	$7,423,505	$7,516,077	$7,114,646
EXPENSES			
Certificated salaries	$3,496,669	$3,656,600	$3,158,245
Certificated benefits	$351,024	$374,046	$302,511
Uncertificated salaries and wages	$558,196	$604,209	$527,955
Uncertificated benefits	$90,672	$114,246	$81,801
Services, contracts and supplies	$2,907,104	$2,716,976	$2,977,423
Net school generated funds	$107,145	$50,000	$17,466
Capital and debt services			
Amortization of capital assets			
Supported	$0	$0	$0
Unsupported	$0	$0	$0
Total Amortization of capital assets	$0	$0	$0
Interest on capital debt			
Supported	$0	$0	$0
Unsupported	$0	$0	$0
Total Interest on capital debt	$0	$0	$0
Other interest charges	$0	$0	$0
Losses on disposal of capital assets	$0	$0	$0
Total Expenses	$7,510,810	$7,516,077	$7,065,401
SURPLUS (DEFICIT) OF REVENUES OVER EXPENSES BEFORE EXTRAORDINARY ITEM	($87,305)	$0	$49,245
Extraordinary Item	$0	$0	$0
SURPLUS (DEFICIT) OF REVENUES OVER EXPENSES	($87,305)	$0	$49,245

Note: Input "(Restated)" in Budget 2005 and/or Actuals 2004 column headings where comparatives are not taken from the respective finalized 2004-2005 Budget Report and/or finalized 2003-2004 Audited Financial Statements.

School Jurisdiction Code: 0109

STATEMENT OF CASH FLOWS

for the Year Ended August 31, 2005

(in dollars)

	2005	2004
CASH FLOWS FROM:		
A. OPERATIONS		
Surplus (deficit) of revenues over expenses for the year	($87,305)	$49,244
Add (Deduct) items not requiring cash:		
Amortization of capital allocations revenue	$0	$0
Total amortization expense	$0	$0
Gains on disposal of capital assets	$0	$0
Losses on sale of capital assets	$0	$0
Changes in accrued accounts:		
Accounts receivable	$582,384	($581,307)
Prepaids and other current assets	($36,121)	$1,938
Long term accounts receivable	$0	$0
Long term investments	$0	$0
Payables and accrued liabilities	($373,237)	$312,342
Deferred revenue	($3,198)	($995,890)
Employee future benefit expense (recovery)	$0	$0
Other (describe)	$0	$0
Total sources (uses) of cash from Operations	$82,523	($1,213,673)
B. INVESTING ACTIVITIES		
Purchases of capital assets		
Land	$0	$0
Buildings	$0	$0
Equipment	$0	$0
Vehicles	$0	$0
Net proceeds from disposal of capital assets	$0	$0
Other (describe)	$0	$0
Total sources (uses) of cash from Investing activities	$0	$0
C. FINANCING ACTIVITIES		
Capital allocations	$0	$0
Issue of long term debt	$0	$0
Repayment of long term debt	$0	$0
Add back: supported portion	$0	$0
Other (describe)	$0	$0
Total sources (uses) of cash from Financing activities	$0	$0
Net sources (uses) of cash during year	$82,523	($1,213,673)
Cash and temporary investments, net of bank indebtedness, at Aug. 31/04	$298,596	$1,512,269
Cash and temporary investments, net of bank indebtedness, at Aug. 31/05	$381,119	$298,596

Note: 1 Input "(Restated)" in 2004 column heading where not taken from the finalized 2003-2004 Audited Financial Statements
2 Cash and temporary investments are net of cash obligations.

School Jurisdiction 0109

STATEMENT OF CHANGES IN NET ASSETS
for the Year Ended August 31, 2005

(in dollars)

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
	TOTAL NET ASSETS Cols 2+3+4	INVESTMENT IN CAPITAL ASSETS	UNRESTRICTED NET ASSETS	TOTAL INTERNALLY RESTRICTED NET ASSETS Cols 5 to 14	INTERNALLY RESTRICTED NET ASSETS									
					School Based		Infrastructure		Board & System Admin.		Transportation		External Services	
					Operating Reserves	Capital Reserves	O& M Operating Reserves	Capital Reserves	Operating Reserves	Capital Reserves	Operating Reserves	Capital Reserves	Operating Reserves	Capital Reserves
Balance at August 31, 2004	$368,240	$0	$244,083	$124,157	$89,157	$0	$0	$0	$0	$0	$35,000	$0	$0	$0
Prior period adjustments (describe)														
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Adjusted Balance,Aug.31, 2004	$368,240	$0	$244,083	$124,157	$89,157	$0	$0	$0	$0	$0	$35,000	$0	$0	$0
Surplus(def) of revenue over expense	($87,305)		($87,305)											
Board funded capital transactions		$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Direct credits to net assets	$0	$0												
Amortization of capital assets		$0	$0											
Amortization of capital allocations		$0	$0											
Disposal of unsupported capital asset	$0	$0	$0	$0		$0		$0		$0		$0		$0
Disposal of supported capital assets (board funded portion)	$0	$0	$0	$0		$0		$0		$0		$0		$0
Debt principal payments (unsupported)		$0	$0											
Net transfers to operating reserves			($28,000)	$28,000	$0		$0		$0		$28,000		$0	
Net transfers from operating reserves			$40,787	($40,787)	($40,787)		$0		$0		$0		$0	
Net transfers to capital reserves			$0	$0		$0		$0		$0		$0		$0
Net transfers from capital reserves			$0	$0		$0		$0		$0		$0		$0
Balance at August 31, 2005	$280,935	$0	$169,565	$111,370	$48,370	$0	$0	$0	$0	$0	$63,000	$0	$0	$0

School Jurisdiction Code: 0109

STATEMENT OF CAPITAL ALLOCATIONS
(SUPPORTED CAPITAL FINANCING ONLY)
for the Year Ended August 31, 2005

(in dollars)

	Deferred Capital Allocations	Unamortized Capital Allocations
Balance at August 31, 20	$0	$0
Prior period adjustment	$0	$0
Adjusted balance, August 31, 2004	$0	$0
Add:		
Capital allocations from: Infrastructure and Transportation-New/Modernization Projects	$0	
Other Government of Alberta	$0	
Federal Government and/or First Nations	$0	
Other sources	$0	
Interest earned on provincial government capital allocations	$0	
Other capital grants and donations	$0	
Proceeds on disposal of supported capital assets	$0	
Insurance proceeds	$0	
Donated capital assets (amortizable, at Fair Market Value)		$0
Transferred in capital assets (amortizable, at Net Book Value)		$0
Current Year Debenture Principal Repayment		$0
Expended capital allocations - current year	$0	$0
Less:		
Unamortized Capital Allocation affected by a disposal through transfer out		$0
Capital allocations amortized to revenue		$0
Balance at August 31, 2005	$0	$0

WESTMOUNT CHARTER SCHOOL SOCIETY

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED AUGUST 31, 2005

NOTE 1 - GENERAL

The ABC Charter Public School Society (the Society) was incorporated on August 9, 2000 under the laws of the Societies Act of Alberta. The Society's main purpose was to operate the ABC Charter Public School which had previously been operated as a division of the Action for Bright Children (Calgary Society). The Calgary Society was approved to open and operate a Charter School in Calgary which commenced operations August 1, 1996 and transferred the charter to the Society effective for the beginning of the 2000 - 2001 school year. On November 15, 2002, the Society changed its name to Westmount Charter School Society. These financial statements are presented to include the assets, liabilities and operations of Westmount Charter School Society from the commencement of operations in 1996.

The School Jurisdiction delivers education programs under the authority of the School Act, Revised Statutes of Alberta 2000, Chapter S-3.

The jurisdiction receives instruction and support allocations under Regulation 77/2003. The regulation allows for the setting of conditions and use of grant monies. The School Jurisdiction is limited on certain funding allocations and administrative expenses.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

These financial statements have been prepared in accordance with Canadian generally accepted accounting principles (GAAP) and accounting policies consistent with those prescribed by Alberta Learning for Alberta school jurisdictions. The precise determination of many assets and liabilities is dependent on future events. As a result, the preparation of financial statements for a period involves the use of estimates and approximations, which have been made using careful judgement. Actual results could differ from those estimates and approximations. The financial statements have, in management's opinion, been properly prepared within reasonable limits of materiality and within the framework of the accounting policies summarized below:

Revenue Recognition

Instruction and support allocations are recognized in the year to which they relate.

Fees for services related to courses and programs are recognized when such courses and programs are delivered.

Unrestricted contributions are recognized as revenue when received or receivable. Contributions in-kind are recorded at fair market value when reasonably determinable.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

Externally restricted contributions are deferred and recognized as revenue in the year in which the restriction is complied with.

Capital Assets

Purchased capital assets are recorded at cost. Contributed capital assets are recorded at fair value at the date of contribution. The School's policy is to capitalize only those individual capital assets with a cost in excess of $5,000 and amortize these assets over their useful lives. All other capital assets are charged to expense in the year incurred or contributed.

School Generated Funds

These are funds which come under the control and responsibility of the school principal for school activities. They are usually collected, retained and expended at the school level (e.g. yearbook sales, graduation fees, field trip fees, etc.).

Vacation Pay

Vacation pay is accrued in the period in which the employee earns the benefit.

Pensions

The current and past service costs of the Alberta Teacher Retirement Fund are met by contributions by active members and the Government of Alberta. Under the terms of the Teachers Pension Plan Act, the Westmount Charter School Society does not make pension contributions for certificated staff.

Prepaid Expenses

Certain expenditures incurred and paid before the close of the school year are for school supplies which will be consumed subsequent to year end, and are accordingly recorded as prepaid expenses.

Contributed Services

Volunteers contribute a considerable number of hours each year to assist the School in carrying out certain programs, such as kindergarten, lunch services and the raising of school generated funds. Because of the difficulty of compiling these hours and the fact that the services are not otherwise purchased, contributed services are not recognized in the financial statements.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

Financial Instruments

The Society's financial instruments consist of cash, short term investments, accounts receivable, accounts payable and accrued liabilities. It is management's opinion that the Society is not exposed to significant interest, currency or credit risks arising from these financial instruments. Unless otherwise noted, the fair values of these financial instruments approximate their carrying values. The Society has invested surplus funds in accordance with Section 60 of the School Act and Section 5 of the Trustees Act.

Operating Reserves

Reserves are established at the discretion of the Board of Trustees to set aside funds for certain operating purposes. Such reserves are appropriations of unrestricted net assets.

Employee Future Benefits

The Society does not provide a future benefit plan to its employees and therefore no such obligations have been expensed or accrued in these financial statements.

NOTE 3 - SHORT TERM INVESTMENTS

Short term investments are valued at the lower of cost or market and consists of a variable rate guaranteed investment certificate as follows;

	August 31	
	2005	2004
Bank of Montreal variable rate GIC maturing January 14, 2005	$ -	$ 7,000
Bank of Montreal variable rate GIC maturing January 13, 2006	7,000	-
	$ 7,000	$ 7,000

NOTE 4 - ACCOUNTS RECEIVABLE

Accounts receivable consists of the following:

	August 31	
	2005	2004
Alberta Education	$ 7,185	$ 178,584
Alberta Infrastructure and transportation	107,691	398,800
Other Alberta School Jurisdictions	-	97,155
GST recoverable from Federal Government	31,025	28,420
Other	28,308	53,634
	$ 174,209	$ 756,593

NOTE 5 - CAPITAL ASSETS

During the year, the Society purchased furniture and computer equipment in the amount of $88,042 (2004 - $241,039) which, in accordance with its capital asset policy in Note 2, has been charged to expense.

During the year, the Society received donated furniture and computer equipment with an estimated fair value of $18,115 (2004 - $30,900) which, in accordance with its capital asset policy in Note 2, has been charged to expense.

NOTE 6 - ACCOUNTS PAYABLE

Accounts payable consists of the following:

	August 31	
	2005	2004
Alberta Education	$ 29,145	$ -
Other Alberta School Jurisdictions	126,456	443,939
Other trade payables and accrued liabilities	85,652	170,551
	$ 241,253	$ 614,490

NOTE 7 - DEFERRED REVENUE

Deferred revenue consists of the following:

	August 31	
	2005	2004
Prepaid student fees	$ 48,002	$ 56,280
Prepaid furniture and equipment	45,185	67,345
2004-2005 one time funding for classroom resources	20,000	-
Summerstock production 2005	15,588	-
Alberta Initiative for School Improvement	9,109	10,222
LRC and RCF credits	3,552	9,751
Restricted donations	3,334	4,370
	$ 144,770	$ 147,968

The Society has received cash in the amount of $3,334 (2004 - $4,370) which has specific terms of usage and has been recorded as a restricted donation. These funds have been deferred and will be recognized as revenue when the funds are spent on their designated purpose.

NOTE 8 - LEASE COMMITMENTS

The Society has a lease with The Calgary Board of Education for its premises which expires on July 31, 2006 and has estimated scheduled minimum rent payments of $1,058,030 per annum.

The Society also has a lease commitment relating to various office equipment which expires on August 25, 2010 and has scheduled lease payments of $39,355 per annum.

NOTE 9 - SCHOOL GENERATED FUNDS

Net SGF revenue and net SGF expense include operations from school council, who maintain a separate bank account.

NOTE 10 - LEASING COSTS

The School moved into new premises effective August 1, 2001 and signed a 5 year lease with The Calgary Board of Education as described in note 8. The funding received from Alberta Learning for lease support is based on a similar formula as the lease, but is calculated and paid over the school year (September to August) instead of the lease year (August to July). As the lease was not signed until well into the 2001 - 2002 school year, no amount of rent from this lease for August, 2001 ($25,935) was included in the 2000 - 2001 financial statements, and the extra month was included in the 2001 - 2002 financial statements. Due to the ongoing growth at the school, the rent charges increase each August to account for the additional space occupied by the school, while the funding increases in September, which increases the differential between the amounts paid for rent and the funding received for lease costs. The differential as at August 31, 2005 of $88,169 (2004 - $88,169) has not been recorded in these financial statements as this timing difference is expected to continue indefinitely.

NOTE 11 - INTERNALLY RESTRICTED NET ASSETS

Subsequent to year end, the Board approved a motion to carry forward the 2005 transportation surplus of $28,000 (plus the 2004 transportation surplus of $35,000, for a total of $63,000) as a reserve against future transportation costs. Also, the Board approved expenditures in 2005 from the scholarship fund (funded from the net proceeds of the Summerstock production in 2004) in the amount of $10,787. In 2002, the Board approved the transfer from accumulated operating surplus' of $100,000 to be used as a reserve against the future costs of expansion of the school. In the current year, the Board approved a motion to apply $30,000 (2004 - $21,630) of these funds towards designated expenditures, with the balance of $48,370 (2004 - $78,370) to be carried forward.

NOTE 12 - ECONOMIC DEPENDENCE ON RELATED THIRD PARTY

Westmount Charter School Society's primary source of income is from the Alberta Government. The Society's ability to continue viable operations is dependent on this funding.

NOTE 13 - BUDGET AMOUNTS

The budget was prepared by the Society and approved by the Board of Trustees. It is presented for information purposes only and has not been audited.

SCHEDULE A to the AFS
ALLOCATION OF REVENUES AND EXPENSES TO PROGRAMS - 2004-2005

School Jurisdiction Cod 0109

REVENUES	TOTAL	ECS to Grade 12 Instruction	Operations and Maintenance of Schools & Maintenance Shops	Transportation	Board & System Admin.	External Services
(1) **Alberta Education Revenues**	$5,458,783	$4,812,277	$199,713	$382,975	$63,818	$0
Alberta Infrastructure and Transportation						
(2) Infrastructure Maintenance Program & Portable Relocations support	$0	$0	$0			
(3) Regular Operations & Maintenance support	$1,337,628		$1,337,628			
(4) Other support	$22,159	$0	$22,159			
(5) **Total Alberta Infrastructure and Transportation Revenues**	$1,359,787	$0	$1,359,787			
(6) **Alberta Finance**	$0		$0			$0
(7) **Other - Government of Alberta**	$0	$0	$0	$0	$0	$0
(8) **Federal Government and/or First Nations**	$0	$0	$0	$0	$0	$0
(9) **Other Alberta school authorities**	$0	$0	$0	$0	$0	$0
(10) **Out of province authorities**	$0	$0	$0	$0	$0	$0
(11) **Alberta municipalities** (excl. supplementary requisitions)	$0	$0	$0	$0	$0	$0
(12) **Instruction resource fees**	$196,045	$196,045				
(13) **Transportation fees**	$197,177			$197,177		
(14) **Other sales and services**	$21,483	$0	$0	$0	$0	$21,483
(15) **Investment income**	$13,366	$0	$0	$0	$13,366	$0
(16) **Gifts and donations**	$66,719	$66,719	$0	$0		$0
(17) **Rentals of facilities**	$3,000	$0	$0	$0	$3,000	$0
(18) **Net school generated funds**	$107,145	$107,145			$0	
(19) **Gains on disposal of capital assets**	$0	$0	$0	$0	$0	$0
(20) **Amortization of capital allocations**	$0	$0	$0	$0		$0
(21) **TOTAL REVENUES**	$7,423,505	$5,182,186	$1,559,500	$580,152	$80,184	$21,483
EXPENSES						
(22) **Certificated salaries**	$3,496,669	$3,496,669			$0	$0
(23) **Certificated benefits**	$351,024	$351,024			$0	$0
(24) **Uncertificated salaries and wages**	$558,196	$365,358	$0	$20,302	$152,451	$20,085
(25) **Uncertificated benefits**	$90,672	$65,545	$0	$1,940	$22,195	$992
(26) **SUB - TOTAL**	$4,496,561	$4,278,596	$0	$22,242	$174,646	$21,077
(27) **Services, contracts & supplies**	$2,907,104	$664,671	$1,559,500	$529,910	$152,617	$406
(28) **Cost recoveries & charges to programs**	$0	$0	$0	$0	$0	$0
(29) **Net school generated funds**	$107,145	$107,145				
Capital and debt services						
Amortization of capital assets						
(30) Supported	$0	$0	$0	$0	$0	$0
(31) Unsupported	$0	$0	$0	$0	$0	$0
(32) Total Amortization	$0	$0	$0	$0	$0	$0
Interest on capital debt						
(33) Supported	$0	$0	$0	$0	$0	$0
(34) Unsupported	$0	$0	$0	$0	$0	$0
(35) Other interest charges	$0	$0	$0	$0	$0	$0
(36) Losses on disposal of capital assets	$0	$0	$0	$0	$0	$0
(37) **TOTAL EXPENSES**	$7,510,810	$5,050,412	$1,559,500	$552,152	$327,263	$21,483
(38) **SURPLUS (DEFICIT) BEFORE EXTRAORDINARY ITEM**	($87,305)	$131,774	$0	$28,000	($247,079)	$0

School Jurisdiction Code: 0109

SCHEDULE B to the AFS
ALBERTA EDUCATION REVENUES 2004-2005

	TOTAL
Base Funding	
Early Childhood Services (ECS)	$134,028
Base Instruction (Gr 1-12)	$4,120,145
Outreach Programs	$0
Home Education	$0
Differential Cost Funding *	$954,581
Other Provincial Support	
Institutional Programs	$0
Regional Consortium (6 boards) and Regional Educational Consulting Services (4 boards)	$0
Learning Resources Credit	$6,441
Federal French Funding	$620
Provincial Priority Targeted Funding	
Class Size Initiative	$109,210
Student Health Initiative (SHI)	$0
Alberta Initiative for School Improvement (AISI)	$103,634
High Speed Networking	$0
Children and Youth with Complex Needs	$0
Other Alberta Education Revenues (describe) 03/04 BSA ($7718), Def'd 03/04 RCF ($7906), Grant #2005-0391 ($14500)	$30,124
Total Alberta Education Revenues	$5,458,783

* Differential Cost Funding is based on distribution formulas designed to address variable cost factors and incremental costs associated with other variables and specific student populations. Included in differential cost funding are allocations for students with severe disabilities, English as a second language students, Francisation and support services for immigrant students, aboriginal students, gifted & talented early childhood services children and those with mild or moderate or severe disabilities, the percentage of the student population experiencing low socio-economic status, small schools by necessity, intra-jurisdiction distances, year to year enrolment fluctuations, small school board administration, schools located in the north, boarding, transportation, stabilization of funding, and cost differences among school jurisdictions for purchasing goods and services.

School Jurisdiction Code: 0109

SCHEDULE C the AFS

ECS to Grade 12 INSTRUCTION PROGRAMS Expense Details - 2004-2005

SUB-PROGRAMS & INITIATIVES	ECS to GRADE 12 Instruction						
	Certificated Remuneration	Uncertificated Remuneration	Services, Contracts & Supplies [1]	Learning Resources	Cost Recoveries & Transfers	Other Expenses [2]	TOTAL EXPENSES
School Administration & All Instruction Support	$64,043	$279,776	$231,225		$0	$55,790	$630,834
Mild & Moderate Disabilities/Gifted & Talented (ECS-12)	$246,678	$6,424	$31,788		$0		$284,890
ECS Program Unit (PUF)	$0	$0	$0		$0		$0
Severe Disabilities (Gr 1-12)	$0	$115,780	$0		$0		$115,780
English as a Second Language	$28,878	$0	$0		$0		$28,878
French Language Program & Francisation (all jurisdictions)	$56,266	$0	$0		$0		$56,266
First Nations, Metis and Inuit Education (ECS - Gr 12)	$0	$0	$0		$0		$0
Home Education	$0	$0	$0		$0		$0
Institutional Programs	$0	$0	$0		$0		$0
Alberta Initiative for School Improvement	$42,375	$3,800	$57,459	$0	$0		$103,634
Student Health Initiative	$0	$0	$0		$0		$0
High Speed Networking			$0		$0		$0
Class Size	$98,602	$9,808	$800	$0	$0		$109,210
Children and Youth with Complex Needs (ECS - Gr 12)	$0	$0	$0		$0		$0
All Other Student Instruction Expenses (ECS - Gr 12)	$3,316,851	$15,315	$119,088	$224,311	$0	$51,354	$3,720,920
TOTAL EXPENSES	$3,853,693	$430,903	$440,360	$224,311	$0	$107,144	$5,050,412

FULL-TIME-EQUIVALENCIES (Board/Contract)	FTE Certificated	FTE Uncertificated
Mild & Moderate Disabilities/Gifted & Talented (ECS - Gr 1	4.1	0.2
ECS Program Unit (PUF)	0.0	0.0
Severe Disabilities (Gr 1-12)	0.0	3.5

Note 1 Excludes Learning Resources.

Note 2 Includes Net School Generated Funds, Amortization, Interest, and Losses on Disposal of Instruction Program Capital Assets.

School Jurisdiction Code: 0109

SCHEDULE D to the AFS
CALCULATION OF MAXIMUM ELIGIBLE EXPENSE LIMIT FOR BOARD (GOVERNANCE) AND SYSTEM ADMINISTRATION - 2004-2005

TOTAL EXPENSES		**$7,510,810**

STEP 1

Calculation of maximum expense limit PERCENTAGE for Board and System Administration expenses

If "Total Net Enrolled Students" are 6,000 and over	= 4%	**6.00%**
If "Total Net Enrolled Students" are 2,000 and less	= 6%	

The Maximum Expense Limit for Board and System Administration is based on an arithmetical proration for the TOTAL FTE count for grades 1 -12, net of Home Education AND Adult students, between 2,000 to 6,000 at .0005 per FTE

EXAMPLE 4,500 FTE count grades 1-12 = 6,000 - 4,500 = 1,500 X .0005 = .75% plus 4% = maximum expense limit of 4.75%

Note Calculation unnecessary if Total FTE is 6,000 or more, and 2,000 & less

STEP 2

Calculate maximum expense limit AMOUNTS for Board and System Administration expenses

Maximum Expense Limit percentage (Step 1) x TOTAL EXPENSES		$450,649
Considerations for Charter Schools and Small School Boards:		
If **Charter School**, enter $56,100	$56,100	$450,649
If **School Board**, please enter your 04-05 Gr 1- 12 funded enrolment	0	
	$0	$0
MAXIMUM EXPENSE LIMIT		**$450,649**

STEP 3

Compare maximum expense limit amounts calculated in Step 2 to actual expenses (from Schedule A)

Actual Board Governance & System Administration expenses	$327,263
PLUS transfers to Restricted - Operating (Board/System Administration)	$0
LESS transfers from Restricted - Operating (Board/System Administration)	$0
TOTAL BOARD GOVERNANCE & SYSTEM ADMINISTRATION EXPENSES	$327,263
MAXIMUM EXPENSE LIMIT	$450,649
ACTUAL EXPENSES - OVER(UNDER) MAXIMUM EXPENSE LIMIT	-$123,386

School Jurisdiction Code: 0109

SCHEDULE E to the AFS
SOURCE & APPLICATION OF SCHOOL GENERATED FUNDS (SGF) - 2004-2005

	Gross SGF	Related Expenses	Net SGF	
Unexpended SGF - Opening Balance August 31, 2004 (Note 1)				$30,555
Source of Net School Generated Funds:				
Fundraising activities	$68,917	$18,328	$50,589	
Student fees (Non-Instructional) (Note 2)	$35,788		$35,788	
Donations and grants to schools	$21,312		$21,312	
Other (describe) Sch Council bank, library photocopier	$892	$348	$544	
Net Additions to SGF	$126,909	$18,676		$108,233
Net SGF Available for Discretionary Spending				$138,788
Application of Net School Generated Funds:				
Extra-curricular activities			$49,382	
School beautification			$1,972	
Field Trips			$19,011	
Equipment			$36,780	
Family literacy and other community resources			$0	
Other (describe)				
Net SGF Expended for Discretionary Purposes (Note 3)				$107,145
Unexpended SGF - Closing Balance August 31, 2005 (Note 4)				$31,643

School Generated Funds (SGF) are funds raised in the community for student activities that come under the control and responsibility of school management. These funds are usually collected and retained at the school for expenditures paid at the school level. SGF does not include fees with respect to instructional supplies or materials collected pursuant to Section 60(2)(j) of the *School Act*, and any other funds collected at the school but remitted to central office and accounted for by the jurisdiction (facility rentals, capital assets purchases, etc.)

Note 1 Input "(Restated)" beside Balance at August 31, 2004 where not taken from the finalized 2003-2004 Audited Financial Statements.

Note 2 Excludes fees collected pursuant to Section 60(2)(j) of the School Act (fees with respect to instructional supplies or materials - essentially textbooks, resource materials in lieu of textbooks, media, software, and materials for classrooms). Amounts collected for CEU-related activities are recorded as instruction resource fees, not SGF.

Note 3 Net SGF Expended for Discretionary Purposes is recorded as revenue and expense in the Statement of Revenues & Expenses.

Note 4 Unexpended SGF is carried forward to the Statement of Financial Position.

School Jurisdiction Code: 0109

SCHEDULE F to the AFS
Operations and Maintenance Program Expenses - 2004-2005

EXPENSES	Custodial	Maintenance	Utilities and Telecommunications	Expensed Mod./I.M.P. & Portable Relocations	Facility Planning & Operations Administration	SUB-TOTAL Operations & Maintenance	Supported Capital & Debt Services	TOTAL Operations and Maintenance
Uncertificated salaries and wages	$0	$0	$0	$0	$0	$0		$0
Uncertificated benefits	$0	$0	$0	$0	$0	$0		$0
Sub-total Remuneration	$0	$0	$0	$0	$0	$0		$0
Contracted Services	$189,455	$1,184,776	$0	$0	$0	$1,374,231		$1,374,231
Supplies	$0	$0	$0	$22,159	$0	$22,159		$22,159
Electricity			$82,438			$82,438		$82,438
Natural Gas/Heating Fuel			$71,690			$71,690		$71,690
Sewer and Water			$8,982			$8,982		$8,982
Telecommunications			$0			$0		$0
Insurance					$0	$0		$0
Amortization of capital assets								
Supported							$0	$0
Unsupported						$0		$0
Total Amortization						$0	$0	$0
Interest on capital debt								
Supported							$0	$0
Unsupported				$0		$0		$0
Other interest charges						$0		$0
Losses on disposal of capital assets						$0		$0
Cost recoveries & transfers						$0		$0
TOTAL EXPENSES	$189,455	$1,184,776	$163,110	$22,159	$0	$1,559,500	$0	$1,559,500
SQUARE METRES								
School Buildings								9,833.0
Non School Buildings								0.0
UNCERTIFICATED FTE'S (Board/Contract)	0.0	0.0						

Notes:

Custodial:	All expenses related to activities undertaken to keep the school environment clean and safe
Maintenance:	All expenses associated with the repair, replacement and minor construction of buildings, grounds and equipment components. This includes regular and preventative maintenance undertaken to ensure components reach or exceed their life cycle and the repair of broken components
Utilities & Telecommunications:	All expenses related to electricity, natural gas and other heating fuels, sewer and water and all forms of telecommunications
Expensed Block Mod/I.M.P. & Portable Relocations:	All expenses associated with non-capital activites related to Block Modernization, Infrastructure Maintenance Programs (AKA Building Quality Restoration Program) and portable relocations
Facility Planning & Operations Administration:	All expenses related to the administration of operations and maintenance including (but not limited to) contract administration, clerical functions, negotiations, supervision of employees and contractors, administration of capital projects (including new schools, I.M.P., block modernization and portable relocations), administration of joint-use agreements, and all expenses related to ensuring compliance with health and safety statndards, codes and government regulations
Supported Capital & Debt Services:	All expenses related to supported capital assets amortization and interest on supported capital debt

School Jurisdiction Code: 0109

SCHEDULE G to the AFS
DISCLOSURE OF SALARIES AND BENEFITS - 2004-2005
(SECTION 148.1 OF THE SCHOOL ACT)

		FTEs	Remuneration	Benefits	Allowances	Performance Bonuses	ERIP's / Other	Total	Expenses
Chairperson:									
Name	T D Regehr	1.0	$0	$0	$0			$0	$624
Name		0.0	$0	$0	$0			$0	$0
Other Board Members:									
Name	J Hoad	1.0	$0	$0	$0			$0	$12
Name	J Frank	1.0	$0	$0	$0			$0	$0
Name	A Gray	1.0	$0	$0	$0			$0	$25
Name	M MacIsaac	1.0	$0	$0	$0			$0	$287
Name	S Mendaglio	1.0	$0	$0	$0			$0	$0
Name	A Milne	1.0	$0	$0	$0			$0	$0
Name	H Posamentier	1.0	$0	$0	$0			$0	$0
Name	S Shepherd	1.0	$0	$0	$0			$0	$33
Name	L Westwood	1.0	$0	$0	$0			$0	$12
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Subtotal		*10.0*	*$0*	*$0*	*$0*			*$0*	*$993*
Superintendent	M O Kurtz (contracted position)	0.5	$103,671	$0	$0	$0	$0	$103,671	$1,243
Superintendent		0.0	$0	$0	$0	$0	$0	$0	$0
Secretary/Treasurer	M A O'Hara	1.0	$70,300	$7,981	$0	$0	$0	$78,281	$409
Secretary/Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Board Secretary		0.0	$0	$0	$0	$0	$0	$0	$0
Board Secretary		0.0	$0	$0	$0	$0	$0	$0	$0
Board Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Board Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Certificated Salaries		54.9	$3,496,669	$351,024	$0	$0	$0	$3,847,693	
Uncertificated Salaries & Wages		13.7	$487,895	$82,692	$0	$0	$0	$570,587	
TOTALS			**$4,158,535**	**$441,697**	**$0**	**$0**	**$0**	**$4,600,232**	

Note: Please refer to completion information on page 15.

School Jurisdiction Code: 56

AUDITED
FINANCIAL STATEMENTS
and Supporting Schedules
FOR THE YEAR ENDED AUGUST 31, 2005
[School Act, Sections 147(2)(a), 148, 151(1) and 276]

Westwind School Division No. 74
Legal Name of School Jurisdiction

Box 10 Cardston, AB T0K 0K0
Mailing Address

Tele: (403)653-4991 Fax:(403)653-4641
Telephone and Fax Numbers

SCHOOL JURISDICTION MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The financial statements and supporting schedules Westwind School Division No. 74 (Name of School Jurisdiction) presented to Alberta Learning have been prepared by school jurisdiction management which has responsibility for their preparation, integrity and objectivity. The financial statements and schedules, including notes, have been prepared in accordance with generally accepted accounting principles and Ministerial requirements for Alberta school jurisdictions.

In fulfilling its reporting responsibilities, management has maintained internal control systems and procedures designed to provide reasonable assurance that the school jurisdiction's assets are safeguarded, that transactions are executed in accordance with appropriate authorization and that accounting records may be relied upon to properly reflect the school jurisdiction's transactions. The effectiveness of the control systems is supported by the selection and training of qualified personnel, an organizational structure that provides an appropriate division of responsibility and a strong budgetary system of control.

Board of Trustees Responsibility
The ultimate responsibility for the financial statements lies with the Board of Trustees. The Board reviewed the financial statements with management in detail and the Board approved the financial statements for release.

External Auditors
The Board appoints external auditors to audit the financial statements and meets with the auditors to review their findings. The external auditors have full and free access to school jurisdiction records.

Declaration of Management and Board Chairman
To the best of our knowledge and belief, these financial statements and supporting schedules reflect, in all material respects, the financial position and results of operations and cash flows for the year in accordance with generally accepted accounting principles and Ministerial requirements for Alberta school jurisdictions.

BOARD CHAIRMAN

Name	Signature
Mr. Clark Hardy	"ORIGINAL SIGNED"

SUPERINTENDENT

Name	Signature
Dr. Leroy Walker	"ORIGINAL SIGNED"

SECRETARY TREASURER OR TREASURER

Name	Signature
Mr. Dexter Durfey	"ORIGINAL SIGNED"

7-Dec-05
Board-approved Release Date

c.c. **ALBERTA EDUCATION, School Reporting Branch,**
8th Floor Commerce Place, 10155-102 Street, Edmonton AB T5J 4L5
EMAIL: Cindy.Jarry@gov.ab.ca
PHONE: (780) 427-7782 FAX: (780) 422-6996

Young Parkyn McNab LLP
CHARTERED ACCOUNTANTS

AUDITORS' REPORT

To the Board of Trustees
Westwind School Division #74

We have audited the statement of financial position of the Westwind School Division #74 as at August 31, 2005 and the statements of revenues and expenses, cash flows, changes in net assets and capital allocations for the year then ended. These financial statements are the responsibility of the school jurisdiction's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the School Division as at August 31, 2005 and the results of its operations, changes in cash flows, net assets and capital allocations for the year then ended in accordance with Canadian generally accepted accounting principles.

Our audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplementary information included in Schedules A through G is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such supplementary information has been subjected to the auditing procedures applied in the audit of the basic financial statements and in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

Young Parkyn McNab LLP

Lethbridge, Alberta

November 10, 2005

Chartered Accountants

LETHBRIDGE • FORT MACLEOD • CLARESHOLM • TABER • MILK RIVER • *PINCHER CREEK
* Denotes Part-Time Office

School Jurisdiction Code: 56

STATEMENT OF FINANCIAL POSITION

as at August 31, 2005

(in dollars)

		2005	2004
ASSETS			
Current assets			
Cash and temporary investments		$2,123,543	$2,266,914
Accounts receivable (net after allowances)		$1,401,836	$2,108,576
Prepaid expenses		$58,186	$398,123
Other current assets		$0	$0
Total current assets		$3,583,565	$4,773,613
School generated assets		$564,062	$534,098
Trust assets		$537,966	$576,345
Long term accounts receivable		$0	$0
Long term investments		$0	$0
Capital assets			
Land		$656,541	$470,109
Buildings	$39,240,051		
Less: accumulated amortization	($18,025,438)	$21,214,613	$22,284,224
Equipment	$970,225		
Less: accumulated amortization	($631,274)	$338,951	$379,575
Vehicles	$2,207,788		
Less: accumulated amortization	($1,298,682)	$909,106	$804,831
Total capital assets		$23,119,211	$23,938,739
TOTAL ASSETS		$27,804,804	$29,822,795
LIABILITIES			
Current liabilities			
Bank indebtedness		$0	$0
Accounts payable and accrued liabilities		$763,633	$1,684,592
Deferred revenue		$234,456	$239,811
Deferred capital allocations		$635,857	$0
Current portion of all long term debt		$731,104	$731,104
Total current liabilities		$2,365,050	$2,655,507
School generated liabilities		$564,062	$534,098
Trust liabilities		$537,966	$576,345
Employee future benefits liability		$113,900	$111,998
Long term payables and accrued liabilities		$0	$0
Long term debt			
Supported	Debentures and other supported debt	$5,344,353	$6,075,457
	Less: Current portion of supported debt	($731,104)	($731,104)
Unsupported	Debentures and Capital Loans	$0	$0
	Capital Leases	$0	$0
	Mortgages	$0	$0
	Less: Current portion of unsupported debt	$0	$0
Unamortized capital allocations		$14,936,121	$15,282,065
Total long term liabilities		$20,765,298	$21,848,859
TOTAL LIABILITIES		$23,130,348	$24,504,366
NET ASSETS			
Unrestricted net assets		$515,096	$755,232
Operating Reserves		$821,280	$1,390,215
Accumulated Operating Surplus (Deficit)		$1,336,376	$2,145,447
Investment in capital assets		$2,838,739	$2,581,220
Capital Reserves		$499,341	$591,762
Total Capital Funds		$3,338,080	$3,172,982
Total net assets		$4,674,456	$5,318,429
TOTAL LIABILITIES AND NET ASSETS		$27,804,804	$29,822,795

Note: Input "(Restated)" in 2004 column heading where comparatives are not taken from the finalized 2003-2004 Audited Financial Statements.

School Jurisdiction Code: 56

STATEMENT OF REVENUES AND EXPENSES

for the Year Ended August 31, 2005

(in dollars)

	Actual 2005	Budget 2005	Actual 2004
REVENUES			
Government of Alberta	$28,087,549	$29,623,559	$28,204,627
Federal Government and/or First Nations	$4,291,291	$2,941,166	$3,313,367
Other Alberta school authorities	$75,783	$0	$63,110
Out of province authorities	$0	$0	$0
Alberta Municipalities (excluding supplementary requisitions)	$92,462	$100,000	$89,523
Instruction resource fees	$234,178	$179,590	$366,311
Transportation fees	$0	$0	$0
Other sales and services	$176,926	$80,000	$152,059
Investment income	$115,084	$125,000	$110,136
Gifts and donations	$5,562	$0	$1,855
Rentals of facilities	$900	$5,000	$900
Net school generated funds	$564,062	$700,000	$218,122
Gains on disposal of capital assets	$10,143	$0	$23
Amortization of capital allocations	$1,128,696	$700,000	$777,663
Total Revenues	$34,782,636	$34,454,315	$33,297,696
EXPENSES			
Certificated salaries	$17,360,351	$16,122,977	$16,209,383
Certificated benefits	$1,841,623	$1,873,190	$1,710,578
Uncertificated salaries and wages	$6,187,853	$5,347,704	$5,828,325
Uncertificated benefits	$1,541,253	$1,461,305	$1,405,163
Services, contracts and supplies	$5,873,734	$7,539,554	$5,874,510
Net school generated funds	$564,062	$700,000	$218,122
Capital and debt services			
Amortization of capital assets			
Supported	$1,128,696	$700,000	$777,663
Unsupported	$302,442	$295,000	$301,046
Total Amortization of capital assets	$1,431,138	$995,000	$1,078,709
Interest on capital debt			
Supported	$622,035	$750,000	$701,515
Unsupported	$0	$0	$0
Total Interest on capital debt	$622,035	$750,000	$701,515
Other interest charges	$4,560	$0	$2,757
Losses on disposal of capital assets	$0	$0	$0
Total Expenses	$35,426,609	$34,789,730	$33,029,062
SURPLUS (DEFICIT) OF REVENUES OVER EXPENSES BEFORE EXTRAORDINARY ITEM	($643,973)	($335,415)	$268,634
Extraordinary Item	$0	$0	$0
SURPLUS (DEFICIT) OF REVENUES OVER EXPENSES	($643,973)	($335,415)	$268,634

Note: Input "(Restated)" in Budget 2005 and/or Actuals 2004 column headings where comparatives are not taken from the respective finalized 2004-2005 Budget Report and/or finalized 2003-2004 Audited Financial Statements.

School Jurisdiction Code: 56

STATEMENT OF CASH FLOWS

for the Year Ended August 31, 2005

(in dollars)

	2005	2004
CASH FLOWS FROM:		
A. OPERATIONS		
Surplus (deficit) of revenues over expenses for the year	($643,973)	$268,634
Add (Deduct) items not requiring cash:		
Amortization of capital allocations revenue	($1,128,696)	($777,663)
Total amortization expense	$1,431,138	$1,078,709
Gains on disposal of capital assets	($10,143)	($23)
Losses on sale of capital assets	$0	$0
Changes in accrued accounts:		
Accounts receivable	$706,740	($226,421)
Prepaids and other current assets	$339,937	($354,318)
Long term accounts receivable	$0	$0
Long term investments	$0	$0
Payables and accrued liabilities	($920,959)	($537,887)
Deferred revenue	($5,355)	($232,114)
Employee future benefit expense (recovery)	$1,902	($2,969)
Other (describe)	$0	$0
Total sources (uses) of cash from Operations	($229,409)	($784,052)
B. INVESTING ACTIVITIES		
Purchases of capital assets		
Land	($186,432)	$0
Buildings	($95,186)	($425,560)
Equipment	($71,004)	($113,873)
Vehicles	($292,956)	($138,421)
Net proceeds from disposal of capital assets	$44,111	$10,500
Other (describe)	$0	$0
Total sources (uses) of cash from Investing activities	($601,467)	($667,354)
C. FINANCING ACTIVITIES		
Capital allocations	$687,505	$322,686
Issue of long term debt	$0	$0
Repayment of long term debt	($731,104)	($765,067)
Add back: supported portion	$731,104	$765,067
Other (describe)	$0	$0
Total sources (uses) of cash from Financing activities	$687,505	$322,686
Net sources (uses) of cash during year	($143,371)	($1,128,720)
Cash and temporary investments, net of bank indebtedness, at Aug. 31/04	$2,266,914	$3,395,634
Cash and temporary investments, net of bank indebtedness, at Aug. 31/05	$2,123,543	$2,266,914

Note: 1 Input "(Restated)" in 2004 column heading where not taken from the finalized 2003-2004 Audited Financial Statements.

2 Cash and temporary investments are net of cash obligations.

School Jurisdiction 56

STATEMENT OF CHANGES IN NET ASSETS
for the Year Ended August 31, 2005

(in dollars)

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
	TOTAL NET ASSETS Cols. 2+3+4	INVESTMENT IN CAPITAL ASSETS	UNRESTRICTED NET ASSETS	TOTAL INTERNALLY RESTRICTED NET ASSETS Cols. 5 to 14	INTERNALLY RESTRICTED NET ASSETS									
					School Based		Infrastructure		Board & System Admin.		Transportation		External Services	
					Operating Reserves	Capital Reserves	O& M Operating Reserves	Capital Reserves	Operating Reserves	Capital Reserves	Operating Reserves	Capital Reserves	Operating Reserves	Capital Reserves
Balance at August 31, 2004	$5,318,429	$2,581,220	$755,232	$1,981,977	$1,171,991	$177,918	$0	$331,260	$79,204	$48,029	$123,431	$34,555	$15,589	$0
Prior period adjustments (describe)														
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Adjusted Balance,Aug.31, 2004	$5,318,429	$2,581,220	$755,232	$1,981,977	$1,171,991	$177,918	$0	$331,260	$79,204	$48,029	$123,431	$34,555	$15,589	$0
Surplus(def) of revenue over expense	($643,973)		($643,973)											
Board funded capital transactions		$593,929	$0	($593,929)	($229,969)	($99,672)	$0	($21,578)	$0	($32,356)	($53,785)	($156,569)	$0	$0
Direct credits to net assets	$0	$0												
Amortization of capital assets		($1,431,138)	$1,431,138											
Amortization of capital allocations		$1,128,696	($1,128,696)											
Disposal of unsupported capital asset	$0	($33,968)	($10,143)	$44,111		$39,000		$0		$1,000		$4,111		$0
Disposal of supported capital assets (board funded portion)	$0	$0	$0	$0		$0		$0		$0		$0		$0
Debt principal payments (unsupported)		$0	$0											
Net transfers to operating reserves			($397,139)	$397,139	$144,264		$0		$195,821		$57,054		$0	
Net transfers from operating reserves			$682,320	($682,320)	($681,140)		$0		$0		$0		($1,180)	
Net transfers to capital reserves			($173,643)	$173,643		$0		$29,869		$21,846		$121,928		$0
Net transfers from capital reserves			$0	$0		$0		$0		$0		$0		$0
Balance at August 31, 2005	$4,674,456	$2,838,739	$515,096	$1,320,621	$405,146	$117,246	$0	$339,551	$275,025	$38,519	$126,700	$4,025	$14,409	$0

School Jurisdiction Code: 56

STATEMENT OF CAPITAL ALLOCATIONS
(SUPPORTED CAPITAL FINANCING ONLY)
for the Year Ended August 31, 2005

(in dollars)

	Deferred Capital Allocations	Unamortized Capital Allocations
Balance at August 31, 20	$0	$15,282,065
Prior period adjustment	$0	$0
Adjusted balance, August 31, 2004	$0	$15,282,065
Add:		
Capital allocations from: Infrastructure and Transportation-New/Modernization Projects	$686,001	
Other Government of Alberta	$0	
Federal Government and/or First Nations	$0	
Other sources	$0	
Interest earned on provincial government capital allocations	$1,504	
Other capital grants and donations	$0	
Proceeds on disposal of supported capital assets	$0	
Insurance proceeds	$0	
Donated capital assets (amortizable, at Fair Market Value)		$0
Transferred in capital assets (amortizable, at Net Book Value)		$0
Current Year Debenture Principal Repayment		$731,104
Expended capital allocations - current year	($51,648)	$51,648
Less:		
Unamortized Capital Allocation affected by a disposal through transfer out		$0
Capital allocations amortized to revenue		$1,128,696
Balance at August 31, 2005	$635,857	$14,936,121

1. Authority and purpose

The School Jurisdiction delivers education programs under the authority of the *School Act*, Revised Status of Alberta 2000, Chapter S - 3.

The jurisdiction receives instruction and support allocations under Regulation 77/2003. The regulation allows for the setting of conditions and use of grant monies. The School Jurisdiction is limited on certain funding allocations and administration.

2. Summary of significant accounting policies

These financial statements are prepared in accordance with Canadian generally accepted accounting principles with the significant accounting policies being as follows:

Revenue recognition
Revenue is recognized as follows:

Instruction and support allocations are recognized in the year to which they relate.

Fees for services related to courses and programs are recognized as revenue when such courses and programs are delivered.

Unrestricted contributions are recognized as revenue when received or receivable. Contributions in-kind are recorded at fair market value when reasonably determinable.

Externally restricted contributions are deferred and recognized as revenue in the period in which the restriction is complied with. Endowment funds which are to be retained as net assets are recorded as direct increases in trust assets and liabilities.

Temporary investments
Temporary Investments are valued at cost. Accrued interest on these investments is recorded as it is earned.

Capital assets
Purchased capital assets are recorded at cost. Contributed capital assets are recorded at fair value at the date of contribution. Amortization is provided for on a straight line basis over the assets' estimated useful lives using the following annual rates:

Equipment	5 years
Vehicles	10 years
Building	40 years
Building and additions	25 years

2. Summary of significant accounting policies (continued)

Capital assets (continued) -
Only capital assets with costs in excess of $5,000 are capitalized. Any capital allocations received for asset additions are amortized over the same period as the related asset.

There is no amortization charged in the year of acquisition.

School generated funds
Funds generated from school based activities are included as assets, liabilities, revenues and expenses of the School Division when the accountability and control of these funds rests with School Division officials or their appointees.

Pensions
Pension costs included in these statements comprise the cost of employer contributions for current service of employees during the year.

The current and past service costs of the Alberta Teacher Retirement Fund are met by contributions by active members and the Government of Alberta. Under the terms for the Teachers Pension Plan Act, the Westwind School Division No. 74 does not make pension contributions for certificated staff.

The school board participates in a multi-employer pension plan, the Local Authorities Pension Plan, and does not report on any unfunded liabilities. The expense for this pension plan is equivalent to the annual contributions of $367,130 for the year ended August 31, 2005. At December 31, 2004, the Local Authorities Pension Plan reported an actuarial deficiency of $1,288,924,000 (2003 deficiency of $1,453,487,000).

Contributed services
Volunteers assist schools operated by the School Division in carrying out certain activities. Because of the difficulty in determining their fair value and the fact that such assistance is generally not otherwise purchased, contributed services are not recognized in the financial statements.

Financial Instruments
These consist of cash, accounts receivable, accounts payable, accrued liabilities, and long-term debt. It is management's opinion that the jurisdiction is not exposed to significant interest, currency or credit risks arising from these financial instruments. Unless otherwise noted, the fair values of these financial instruments approximate their carrying values. The jurisdiction has invested surplus funds in accordance with Section 60 of the *School Act* and Section 5 of the Trustees Act.

Measurement uncertainty
The financial statements by their nature, contain estimates and are subject to measurement uncertainty. The amounts recorded for amortization of capital assets are based on estimates of the useful life of the related assets. Pension plan obligations are based on actuarial valuations extrapolated to the reporting date. The effect on the financial statements of changes in such estimates in future periods could be significant.

3. Temporary investments

Temporary investments consists of a 4.0% redeemable term investment with TD Canada Trust in the amount of $1,137,099, which mature March 28, 2008.

4. Trust assets and liabilities

These balances represent cash that is held in trust by the jurisdiction for the following areas:

	2005	2004
Scholarship Trusts	$ 226,054	$ 226,129
Student Health Initiative Trust (Banker Board)	311,912	350,216
	$ 537,966	$ 576,345

5. Deferred revenue

	2005	2004
Infrastructure modernization program	$ 104,029	$ 167,430
Other	14,023	72,381
Video conferencing	116,404	-
	$ 234,456	$ 239,811

6. Long-term debt

The Division has various debentures payable to Alberta Finance relating to the acquisition of capital assets bearing interest at rates ranging from 6.875% to 12.0%. Principal payments in each of the next five years are estimated as follows:

2006	$ 731,104
2007	731,104
2008	731,104
2009	617,329
2010	573,901
2011 to maturity	1,959,811
	$ 5,344,353

7. Commitments

Building projects
The jurisdiction is committed to further capital expenditures for the reconfiguration of the Raymond schools of $15,220,000. It is anticipated that these costs will be significantly funded by the capital allocations from Alberta Infrastructure and Transportation.

8. Contingencies

The jurisdiction is a member of a reciprocal insurance exchange call ALARIE. A portion of the premiums paid each year represents equity contributions to the insurance fund. These payments have been recorded as expenses in the financial statements, as the value of equity is subject to liability claims.

9. Economic dependence on related third party

The Westwind School Division's primary source of income is from the Alberta Government. The Division's ability to continue viable operations is dependent on this funding.

10. Budget amounts

The budget was prepared by the School jurisdiction management with Board of Trustees approval given on June 22, 2004. It is presented for information purposes only, and has not been audited.

SCHEDULE A to the AFS

School Jurisdiction Cod 56

ALLOCATION OF REVENUES AND EXPENSES TO PROGRAMS - 2004-2005

	REVENUES	TOTAL	ECS to Grade 12 Instruction	Operations and Maintenance of Schools & Maintenance Shops	Transportation	Board & System Admin.	External Services
(1)	**Alberta Education Revenues**	$24,608,486	$21,617,309	$0	$1,390,953	$1,600,224	$0
	Alberta Infrastructure and Transportation						
(2)	Infrastructure Maintenance Program & Portable Relocations support	$358,029	$0	$358,029			
(3)	Regular Operations & Maintenance support	$2,428,564		$2,428,564			
(4)	Other support	$0	$0	$0			
(5)	**Total Alberta Infrastructure and Transportation Revenues**	$2,786,593	$0	$2,786,593			
(6)	**Alberta Finance**	$622,035		$622,035			$0
(7)	**Other - Government of Alberta**	$70,435	$0	$5,800	$0	$0	$64,635
(8)	**Federal Government and/or First Nations**	$4,291,291	$4,113,041	$178,250	$0	$0	$0
(9)	**Other Alberta school authorities**	$75,783	$75,783	$0	$0	$0	$0
(10)	**Out of province authorities**	$0	$0	$0	$0	$0	$0
(11)	**Alberta municipalities** (excl. supplementary requisitions)	$92,462	$92,462	$0	$0	$0	$0
(12)	**Instruction resource fees**	$234,178	$234,178				
(13)	**Transportation fees**	$0			$0		
(14)	**Other sales and services**	$176,926	$35,293	$36,376	$57,402	$32,855	$15,000
(15)	**Investment income**	$115,084	$115,084	$0	$0	$0	$0
(16)	**Gifts and donations**	$5,562	$5,562	$0	$0		$0
(17)	**Rentals of facilities**	$900	$0	$900	$0	$0	$0
(18)	**Net school generated funds**	$564,062	$564,062			$0	
(19)	**Gains on disposal of capital assets**	$10,143	$0	$0	$9,143	$1,000	$0
(20)	**Amortization of capital allocations**	$1,128,696	$0	$1,128,696	$0		$0
(21)	**TOTAL REVENUES**	$34,782,636	$26,852,774	$4,758,650	$1,457,498	$1,634,079	$79,635
	EXPENSES						
(22)	**Certificated salaries**	$17,360,351	$17,019,551			$340,800	$0
(23)	**Certificated benefits**	$1,841,623	$1,796,022			$45,601	$0
(24)	**Uncertificated salaries and wages**	$6,187,853	$3,998,984	$1,278,187	$386,980	$477,706	$45,996
(25)	**Uncertificated benefits**	$1,541,253	$1,070,973	$315,591	$51,382	$93,014	$10,293
(26)	**SUB - TOTAL**	$26,931,080	$23,885,530	$1,593,778	$438,362	$957,121	$56,289
(27)	**Services, contracts & supplies**	$5,873,734	$2,954,448	$1,599,875	$840,154	$454,731	$24,526
(28)	**Cost recoveries & charges to programs**	$0	$0	$0	$0	$0	$0
(29)	**Net school generated funds**	$564,062	$564,062				
	Capital and debt services						
	Amortization of capital assets						
(30)	Supported	$1,128,696	$0	$1,128,696	$0	$0	$0
(31)	Unsupported	$302,442	$101,521	$34,382	$121,928	$44,611	$0
(32)	Total Amortization	$1,431,138	$101,521	$1,163,078	$121,928	$44,611	$0
	Interest on capital debt						
(33)	Supported	$622,035	$0	$622,035	$0	$0	$0
(34)	Unsupported	$0	$0	$0	$0	$0	$0
(35)	Other interest charges	$4,560	$0	$0	$0	$4,560	$0
(36)	Losses on disposal of capital assets	$0	$0	$0	$0	$0	$0
(37)	**TOTAL EXPENSES**	$35,426,609	$27,505,561	$4,978,766	$1,400,444	$1,461,023	$80,815
(38)	**SURPLUS (DEFICIT) BEFORE EXTRAORDINARY ITEM**	($643,973)	($652,787)	($220,116)	$57,054	$173,056	($1,180)

School Jurisdiction Code: 56

SCHEDULE B to the AFS
ALBERTA EDUCATION REVENUES 2004-2005

	TOTAL
Base Funding	
Early Childhood Services (ECS)	$709,852
Base Instruction (Gr 1-12)	$16,478,681
Outreach Programs	$52,020
Home Education	$1,241
Differential Cost Funding *	$5,956,318
Other Provincial Support	
Institutional Programs	$0
Regional Consortium (6 boards) and Regional Educational Consulting Services (4 boards)	$0
Learning Resources Credit	$39,586
Federal French Funding	$1,786
Provincial Priority Targeted Funding	
Class Size Initiative	$494,476
Student Health Initiative (SHI)	$183,559
Alberta Initiative for School Improvement (AISI)	$482,652
High Speed Networking	$24,493
Children and Youth with Complex Needs	$0
Other Alberta Education Revenues (describe) Wheelchair Lift, Micro Soft, Video - Conferencing, Textbook	$183,822
Total Alberta Education Revenues	$24,608,486

* Differential Cost Funding is based on distribution formulas designed to address variable cost factors and incremental costs associated with other variables and specific student populations. Included in differential cost funding are allocations for students with severe disabilities, English as a second language students, Francisation and support services for immigrant students, aboriginal students, gifted & talented early childhood services children and those with mild or moderate or severe disabilities, the percentage of the student population experiencing low socio-economic status, small schools by necessity, intra-jurisdiction distances, year to year enrolment fluctuations, small school board administration, schools located in the north, boarding, transportation, stabilization of funding, and cost differences among school jurisdictions for purchasing goods and services.

School Jurisdiction Code: 56

SCHEDULE C the AFS

ECS to Grade 12 INSTRUCTION PROGRAMS Expense Details - 2004-2005

SUB-PROGRAMS & INITIATIVES	ECS to GRADE 12 Instruction						
	Certificated Remuneration	Uncertificated Remuneration	Services, Contracts & Supplies [1]	Learning Resources	Cost Recoveries & Transfers	Other Expenses [2]	TOTAL EXPENSES
School Administration & All Instruction Support	$1,255,511	$728,781	$20,449		$0	$0	$2,004,741
Mild & Moderate Disabilities/Gifted & Talented (ECS-12)	$0	$500,930	$5,876		$0		$506,806
ECS Program Unit (PUF)	$0	$356,378	$124,306				$480,684
Severe Disabilities (Gr 1-12)	$0	$1,728,371	$6,175		$0		$1,734,546
English as a Second Language	$0	$197,937	$2,206		$0		$200,143
French Language Program & Francisation (all jurisdictions)	$0	$0	$0		$0		$0
First Nations, Metis and Inuit Education (ECS - Gr 12)	$0	$95,475	$0		$0		$95,475
Home Education	$0	$0	$0		$0		$0
Institutional Programs	$0	$0	$0		$0		$0
Alberta Initiative for School Improvement	$487,583	$59,464	$57,518	$0	($23,435)		$581,130
Student Health Initiative	$0	$170,579	$12,980		$0		$183,559
High Speed Networking			$91,911		$0		$91,911
Class Size	$0	$0	$0	$0	$0		$0
Children and Youth with Complex Needs (ECS - Gr 12)	$0	$0	$0		$0		$0
All Other Student Instruction Expenses (ECS - Gr 12)	$17,072,483	$1,232,041	$0	$0	$0	$0	$21,626,566
TOTAL EXPENSES	$18,815,577	$5,069,956	$321,421	$0	($23,435)	$0	$27,505,561

FULL-TIME-EQUIVALENCIES (Board/Contract)	FTE Certificated	FTE Uncertificated
Mild & Moderate Disabilities/Gifted & Talented (ECS - Gr 12	0.0	19.0
ECS Program Unit (PUF)	0.0	15.2
Severe Disabilities (Gr 1-12)	0.0	73.6

Note 1 Excludes Learning Resources.

Note 2 Includes Net School Generated Funds, Amortization, Interest, and Losses on Disposal of Instruction Program Capital Assets.

School Jurisdiction Code: 56

SCHEDULE D to the AFS
CALCULATION OF MAXIMUM ELIGIBLE EXPENSE LIMIT FOR BOARD (GOVERNANCE) AND SYSTEM ADMINISTRATION - 2004-2005

TOTAL EXPENSES	**$35,426,609**

STEP 1

Calculation of maximum expense limit PERCENTAGE for Board and System Administration expenses

If "Total Net Enrolled Students" are 6,000 and over	= 4%	**5.14%**
If "Total Net Enrolled Students" are 2,000 and less	= 6%	

The Maximum Expense Limit for Board and System Administration is based on an arithmetical proration for the TOTAL FTE count for grades 1 -12, net of Home Education AND Adult students, between 2,000 to 6,000 at .0005 per FTE

EXAMPLE: 4,500 FTE count grades 1-12 = 6,000 - 4,500 = 1,500 X .0005 = .75% plus 4% = maximum expense limit of 4.75%

Note: Calculation unnecessary if Total FTE is 6,000 or more, and 2,000 & less

STEP 2

Calculate maximum expense limit AMOUNTS for Board and System Administration expenses

Maximum Expense Limit percentage (Step 1) x TOTAL EXPENSES		$1,820,042
Considerations for Charter Schools and Small School Boards:		
If **Charter School**, enter $56,100	$0	$0
If **School Board**, please enter your 04-05 Gr 1- 12 funded enrolment	0	
	$0	$0
MAXIMUM EXPENSE LIMIT		**$1,820,042**

STEP 3

Compare maximum expense limit amounts calculated in Step 2 to actual expenses (from Schedule A)

Actual Board Governance & System Administration expenses	$1,461,023
PLUS: transfers to Restricted - Operating (Board/System Administration)	$195,821
LESS: transfers from Restricted - Operating (Board/System Administration)	$0
TOTAL BOARD GOVERNANCE & SYSTEM ADMINISTRATION EXPENSES	$1,656,844
MAXIMUM EXPENSE LIMIT	$1,820,042
ACTUAL EXPENSES - OVER(UNDER) MAXIMUM EXPENSE LIMIT	-$163,198

School Jurisdiction Code: 56

SCHEDULE E to the AFS
SOURCE & APPLICATION OF SCHOOL GENERATED FUNDS (SGF) - 2004-2005

Unexpended SGF - Opening Balance August 31, 2004 (Note 1)				$534,098
Source of Net School Generated Funds:	**Gross SGF**	**Related Expenses**	**Net SGF**	
Fundraising activities	$476,904	$395,194	$81,710	
Student fees (Non-Instructional) (Note 2)	$257,551		$257,551	
Donations and grants to schools	$21,328		$21,328	
Other (describe)	$0	$0	$0	
Net Additions to SGF	$755,783	$395,194		$360,589
Net SGF Available for Discretionary Spending				$894,687
Application of Net School Generated Funds:				
Extra-curricular activities			$233,713	
School beautification			$366	
Field Trips			$47,842	
Equipment			$38,675	
Family literacy and other community resources			$271	
Other (describe) Scholarships			$9,758	
Net SGF Expended for Discretionary Purposes (Note 3)				$330,625
Unexpended SGF - Closing Balance August 31, 2005 (Note 4)				$564,062

School Generated Funds (SGF) are funds raised in the community for student activities that come under the control and responsibility of school management. These funds are usually collected and retained at the school for expenditures paid at the school level. SGF does not include fees with respect to instructional supplies or materials collected pursuant to Section 60(2)(j) of the *School Act*, and any other funds collected at the school but remitted to central office and accounted for by the jurisdiction (facility rentals, capital assets purchases, etc.)

Note 1 Input "(Restated)" beside Balance at August 31, 2004 where not taken from the finalized 2003-2004 Audited Financial Statements

Note 2 Excludes fees collected pursuant to Section 60(2)(j) of the School Act (fees with respect to instructional supplies or materials - essentially textbooks, resource materials in lieu of textbooks, media, software, and materials for classrooms). Amounts collected for CEU-related activities are recorded as instruction resource fees, not SGF.

Note 3 Net SGF Expended for Discretionary Purposes is recorded as revenue and expense in the Statement of Revenues & Expenses

Note 4 Unexpended SGF is carried forward to the Statement of Financial Position

School Jurisdiction Code: 56

SCHEDULE F to the AFS
Operations and Maintenance Program Expenses - 2004-2005

EXPENSES	Custodial	Maintenance	Utilities and Telecommunications	Expensed Mod./I.M.P. & Portable Relocations	Facility Planning & Operations Administration	SUB-TOTAL Operations & Maintenance	Supported Capital & Debt Services	TOTAL Operations and Maintenance
Uncertificated salaries and wages	$976,973	$176,710	$0	$56,167	$68,337	$1,278,187		$1,278,187
Uncertificated benefits	$234,917	$80,674	$0	$0	$0	$315,591		$315,591
Sub-total Remuneration	$1,211,890	$257,384	$0	$56,167	$68,337	$1,593,778		$1,593,778
Contracted Services	$0	$0	$60,960	$0	$0	$60,960		$60,960
Supplies	$137,600	$302,633	$0	$301,862	$0	$742,095		$742,095
Electricity			$463,845			$463,845		$463,845
Natural Gas/Heating Fuel			$273,742			$273,742		$273,742
Sewer and Water			$49,956			$49,956		$49,956
Telecommunications			$9,277			$9,277		$9,277
Insurance					$0	$0		$0
Amortization of capital assets								
Supported							$1,128,696	$1,128,696
Unsupported						$34,382		$34,382
Total Amortization						$34,382	$1,128,696	$1,163,078
Interest on capital debt								
Supported							$622,035	$622,035
Unsupported				$0		$0		$0
Other interest charges						$0		$0
Losses on disposal of capital assets						$0		$0
Cost recoveries & transfers						$0		$0
TOTAL EXPENSES	$1,349,490	$560,017	$857,780	$358,029	$68,337	$3,228,035	$1,750,731	$4,978,766
SQUARE METRES								
School Buildings								0.0
Non School Buildings								0.0
UNCERTIFICATED FTE'S (Board/Contract)	0.0	0.0						

Notes:

Custodial:	All expenses related to activities undertaken to keep the school environment clean and safe.
Maintenance:	All expenses associated with the repair, replacement and minor construction of buildings, grounds and equipment components. This includes regular and preventative maintenance undertaken to ensure components reach or exceed their life cycle and the repair of broken components.
Utilities & Telecommunications:	All expenses related to electricity, natural gas and other heating fuels, sewer and water and all forms of telecommunications.
Expensed Block Mod/I.M.P. & Portable Relocations:	All expenses associated with non-capital activites related to Block Modernization, Infrastructure Maintenance Programs (AKA Building Quality Restoration Program) and portable relocations.
Facility Planning & Operations Administration:	All expenses related to the administration of operations and maintenance including (but not limited to) contract administration, clerical functions, negotiations, supervision of employees and contractors, administration of capital projects (including new schools, I.M.P., block modernization and portable relocations), administration of joint-use agreements, and all expenses related to ensuring compliance with health and safety staindards, codes and government regulations.
Supported Capital & Debt Services:	All expenses related to supported capital assets amortization and interest on supported capital debt.

School Jurisdiction Code: 56

SCHEDULE G to the AFS
DISCLOSURE OF SALARIES AND BENEFITS - 2004-2005
(SECTION 148.1 OF THE SCHOOL ACT)

		FTEs	Remuneration	Benefits	Allowances	Performance Bonuses	ERIP's / Other	Total	Expenses
Chairperson:									
Name	Ron Fromm	1.0	$7,927	$437	$3,963			$12,327	$3,684
Name		0.0	$0	$0	$0			$0	$0
Other Board Members:									
Name	Darcy Barfuss	1.0	$5,040	$1,788	$2,520			$9,348	$3,650
Name	Anna Joyce Frank	1.0	$6,540	$330	$3,270			$10,140	$3,376
Name	Clark Hardy	1.0	$5,347	$147	$2,633			$8,127	$3,475
Name	Stephen Hegie	1.0	$5,793	$1,039	$2,897			$9,729	$4,364
Name	Lance Miller	1.0	$5,933	$1,477	$2,967			$10,377	$4,457
Name	Connie Nelson	1.0	$6,373	$332	$3,187			$9,892	$5,806
Name	Calvin Salmon	1.0	$6,080	$167	$3,040			$9,287	$2,306
Name	Rick Schow	0.1	$820	$69	$410			$1,299	$305
Name	Peter Scott	1.0	$6,580	$871	$3,290			$10,741	$4,547
Name	Barry Webster	0.1	$853	$51	$427			$1,331	$720
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Subtotal		*9.2*	*$57,286*	*$6,708*	*$28,604*			*$92,598*	*$36,690*
Superintendent	Leroy Walker	1.0	$121,000	$9,449	$3,600	$0	$0	$134,049	$12,597
Superintendent		0.0	$0	$0	$0	$0	$0	$0	$0
Secretary/Treasurer	Dexter Durfey	1.0	$100,000	$17,614	$3,600	$0	$16,529	$137,743	$10,413
Secretary/Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Board Secretary		0.0	$0	$0	$0	$0	$0	$0	$0
Board Secretary		0.0	$0	$0	$0	$0	$0	$0	$0
Board Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Board Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Certificated Salaries		240.9	$17,235,752	$1,832,174	$0	$0	$0	$19,067,926	
Uncertificated Salaries & Wages		279.3	$5,992,261	$1,523,035	$0	$0	$0	$7,515,296	
TOTALS			**$23,506,299**	**$3,388,980**	**$35,804**	**$0**	**$16,529**	**$26,947,612**	

Note: Please refer to completion information on page 15

School Jurisdiction Code: 2115

AUDITED
FINANCIAL STATEMENTS
and Supporting Schedules
FOR THE YEAR ENDED AUGUST 31, 2005
[School Act, Sections 147(2)(a), 148, 151(1) and 276]

WETASKIWIN REGIONAL DIVISION NO.11
Legal Name of School Jurisdiction

5515 - 47 A AVENUE, WETASKIWIN, AB T9A 3S3
Mailing Address

PHONE 780-352-6018/FAX 780-352-7886
Telephone and Fax Numbers

SCHOOL JURISDICTION MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The financial statements and supporting schedules WETASKIWIN REGIONAL DIVISION NO 11
(Name of School Jurisdiction)
presented to Alberta Learning have been prepared by school jurisdiction management which has responsibility for their preparation, integrity and objectivity. The financial statements and schedules, including notes, have been prepared in accordance with generally accepted accounting principles and Ministerial requirements for Alberta school jurisdictions.

In fulfilling its reporting responsibilities, management has maintained internal control systems and procedures designed to provide reasonable assurance that the school jurisdiction's assets are safeguarded, that transactions are executed in accordance with appropriate authorization and that accounting records may be relied upon to properly reflect the school jurisdiction's transactions. The effectiveness of the control systems is supported by the selection and training of qualified personnel, an organizational structure that provides an appropriate division of responsibility and a strong budgetary system of control.

Board of Trustees Responsibility
The ultimate responsibility for the financial statements lies with the Board of Trustees. The Board reviewed the financial statements with management in detail and the Board approved the financial statements for release.

External Auditors
The Board appoints external auditors to audit the financial statements and meets with the auditors to review their findings. The external auditors have full and free access to school jurisdiction records.

Declaration of Management and Board Chairman
To the best of our knowledge and belief, these financial statements and supporting schedules reflect, in all material respects, the financial position and results of operations and cash flows for the year in accordance with generally accepted accounting principles and Ministerial requirements for Alberta school jurisdictions.

BOARD CHAIRMAN

Name	Signature
Mr. Robert Reimer	"ORIGINAL SIGNED"

SUPERINTENDENT

Name	Signature
Dr. Terry Pearson	"ORIGINAL SIGNED"

SECRETARY TREASURER OR TREASURER

Name	Signature
Ms. Arlene Dow	"ORIGINAL SIGNED"

14-Nov-05
Board-approved Release Date

c.c. **ALBERTA EDUCATION, School Reporting Branch,**
8th Floor Commerce Place, 10155-102 Street, Edmonton AB T5J 4L5
EMAIL: Cindy.Jarry@gov.ab.ca
PHONE: (780) 427-7782 FAX: (780) 422-6996

MNP
MEYERS NORRIS PENNY LLP

AUDITORS' REPORT

To the Board of Trustees of

WETASKIWIN REGIONAL DIVISION NO. 11

We have audited the statement of financial position of the **Wetaskiwin Regional Division No. 11** as at August 31, 2005 and the related statements of revenues and expenses, cash flows, changes in net assets and capital allocations for the year then ended. These financial statements are the responsibility of the school jurisdiction's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance as to whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the school jurisdiction as at August 31, 2005 and the results of its operations, changes in cash flows, net assets and capital allocations for the year then ended in accordance with Canadian generally accepted accounting principles.

Our audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplementary information included in Schedules A through G is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such supplementary information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

Meyers Norris Penny LLP

CHARTERED ACCOUNTANTS

Leduc, Alberta
October 21, 2005

School Jurisdiction Code: 2115

STATEMENT OF FINANCIAL POSITION

as at August 31, 2005

(in dollars)

		2005	2004
ASSETS			
Current assets			
Cash and temporary investments		$1,191,223	$5,560,295
Accounts receivable (net after allowances)		$3,694,060	$2,993,157
Prepaid expenses		$115,477	$222,335
Other current assets		$209,099	$231,966
Total current assets		$5,209,859	$9,007,753
School generated assets		$754,163	$735,465
Trust assets		$479,959	$443,616
Long term accounts receivable		$16,229	$0
Long term investments		$0	$0
Capital assets			
Land		$242,290	$242,290
Buildings	$57,355,709		
Less: accumulated amortization	($22,101,717)	$35,253,992	$33,540,308
Equipment	$7,711,202		
Less: accumulated amortization	($7,082,610)	$628,592	$631,693
Vehicles	$440,396		
Less: accumulated amortization	($166,541)	$273,855	$255,112
Total capital assets		$36,398,729	$34,669,403
TOTAL ASSETS		$42,858,939	$44,856,237
LIABILITIES			
Current liabilities			
Bank indebtedness		$0	$0
Accounts payable and accrued liabilities		$1,446,450	$3,267,268
Deferred revenue		$1,483,321	$1,136,822
Deferred capital allocations		$0	$2,030,915
Current portion of all long term debt		$922,089	$932,198
Total current liabilities		$3,851,860	$7,367,203
School generated liabilities		$754,163	$735,465
Trust liabilities		$479,959	$443,616
Employee future benefits liability		$0	$0
Long term payables and accrued liabilities		$19,900	$0
Long term debt			
Supported:	Debentures and other supported debt	$6,817,949	$7,742,448
	Less: Current portion of supported debt	($914,389)	($924,498)
Unsupported:	Debentures and Capital Loans	$58,200	$65,900
	Capital Leases	$0	$0
	Mortgages	$0	$0
	Less: Current portion of unsupported debt	($7,700)	($7,700)
Unamortized capital allocations		$26,458,465	$24,165,106
Total long term liabilities		$33,666,547	$32,220,337
TOTAL LIABILITIES		$37,518,407	$39,587,540
NET ASSETS			
Unrestricted net assets		$0	$0
Operating Reserves		$2,026,279	$2,149,979
Accumulated Operating Surplus (Deficit)		$2,026,279	$2,149,979
Investment in capital assets		$3,064,112	$2,695,947
Capital Reserves		$250,141	$422,771
Total Capital Funds		$3,314,253	$3,118,718
Total net assets		$5,340,532	$5,268,697
TOTAL LIABILITIES AND NET ASSETS		$42,858,939	$44,856,237

Note: Input "(Restated)" in 2004 column heading where comparatives are not taken from the finalized 2003-2004 Audited Financial Statements.

School Jurisdiction Code: 2115

STATEMENT OF REVENUES AND EXPENSES

for the Year Ended August 31, 2005

(in dollars)

	Actual *2005*	Budget 2005	Actual 2004
REVENUES			
Government of Alberta	$36,868,008	$35,543,335	$34,237,433
Federal Government and/or First Nations	$2,741,679	$1,992,256	$2,634,243
Other Alberta school authorities	$0	$0	$0
Out of province authorities	$0	$0	$0
Alberta Municipalities (excluding supplementary requisitions)	$0	$0	$0
Instruction resource fees	$512,066	$311,400	$489,946
Transportation fees	$9,925	$0	$10,229
Other sales and services	$241,769	$263,415	$222,121
Investment income	$76,606	$125,000	$145,072
Gifts and donations	$0	$0	$10,806
Rentals of facilities	$22,667	$4,500	$19,479
Net school generated funds	$887,162	$600,000	$843,066
Gains on disposal of capital assets	$0	$0	$0
Amortization of capital allocations	$1,208,523	$1,233,542	$1,216,668
Total Revenues	$42,568,405	$40,073,448	$39,829,063
EXPENSES			
Certificated salaries	$19,714,279	$18,451,676	$18,792,656
Certificated benefits	$2,386,498	$2,406,271	$2,140,911
Uncertificated salaries and wages	$7,617,194	$6,163,611	$7,252,343
Uncertificated benefits	$1,876,085	$1,847,766	$1,659,630
Services, contracts and supplies	$7,793,410	$8,405,030	$8,276,988
Net school generated funds	$887,162	$600,000	$843,066
Capital and debt services			
Amortization of capital assets			
Supported	$1,208,523	$1,233,542	$1,216,668
Unsupported	$240,092	$27,000	$175,461
Total Amortization of capital assets	$1,448,615	$1,260,542	$1,392,129
Interest on capital debt			
Supported	$740,726	$943,000	$840,570
Unsupported	$6,339	$8,000	$7,152
Total Interest on capital debt	$747,065	$951,000	$847,722
Other interest charges	$5,938	$0	$5,155
Losses on disposal of capital assets	$20,324	$0	$0
Total Expenses	$42,496,570	$40,085,896	$41,210,600
SURPLUS (DEFICIT) OF REVENUES OVER EXPENSES BEFORE EXTRAORDINARY ITEM	$71,835	($12,448)	($1,381,537)
Extraordinary Item	$0	$0	$0
SURPLUS (DEFICIT) OF REVENUES OVER EXPENSES	$71,835	($12,448)	($1,381,537)

Note: Input "(Restated)" in Budget 2005 and/or Actuals 2004 column headings where comparatives are not taken from the respective finalized 2004-2005 Budget Report and/or finalized 2003-2004 Audited Financial Statements.

School Jurisdiction Code: 2115

STATEMENT OF CASH FLOWS

for the Year Ended August 31, 2005

(in dollars)

	2005	2004
CASH FLOWS FROM:		
A. OPERATIONS		
Surplus (deficit) of revenues over expenses for the year	$71,835	($1,381,537)
Add (Deduct) items not requiring cash:		
Amortization of capital allocations revenue	($1,208,523)	($1,216,668)
Total amortization expense	$1,448,615	$1,392,129
Gains on disposal of capital assets	$0	$0
Losses on sale of capital assets	$20,324	$0
Changes in accrued accounts:		
Accounts receivable	($700,903)	($335,154)
Prepaids and other current assets	$129,725	($1,492)
Long term accounts receivable	($16,229)	$0
Long term investments	$0	$0
Payables and accrued liabilities	($1,800,918)	($358,743)
Deferred revenue	$346,499	($131,692)
Employee future benefit expense (recovery)	$0	$0
Other (describe)	$0	$1,089,594
Total sources (uses) of cash from Operations	($1,709,575)	($943,563)
B. INVESTING ACTIVITIES		
Purchases of capital assets		
Land	$0	$0
Buildings	($2,948,141)	($1,720,605)
Equipment	($181,770)	($445,949)
Vehicles	($125,854)	($118,238)
Net proceeds from disposal of capital assets	$57,500	$0
Other (describe)	$0	($638,574)
Total sources (uses) of cash from Investing activities	($3,198,265)	($2,923,366)
C. FINANCING ACTIVITIES		
Capital allocations	$546,470	$597,625
Issue of long term debt	$0	$0
Repayment of long term debt	($932,199)	($968,598)
Add back: supported portion	$924,497	$960,898
Other (describe)	$0	($451,020)
Total sources (uses) of cash from Financing activities	$538,768	$138,905
Net sources (uses) of cash during year	($4,369,072)	($3,728,024)
Cash and temporary investments, net of bank indebtedness, at Aug. 31/04	$5,560,295	$9,288,319
Cash and temporary investments, net of bank indebtedness, at Aug. 31/05	$1,191,223	$5,560,295

Note: 1 Input "(Restated)" in 2004 column heading where not taken from the finalized 2003-2004 Audited Financial Statements.

2 Cash and temporary investments are net of cash obligations.

STATEMENT OF CHANGES IN NET ASSETS
for the Year Ended August 31, 2005
(in dollars)

School Jurisdiction 2115

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
	TOTAL NET ASSETS Cols 2+3+4	INVESTMENT IN CAPITAL ASSETS	UNRESTRICTED NET ASSETS	TOTAL INTERNALLY RESTRICTED NET ASSETS Cols 5 to 14	INTERNALLY RESTRICTED NET ASSETS									
					School Based		Infrastructure		Board & System Admin.		Transportation		External Services	
					Operating Reserves	Capital Reserves	O& M Operating Reserves	Capital Reserves	Operating Reserves	Capital Reserves	Operating Reserves	Capital Reserves	Operating Reserves	Capital Reserves
Balance at August 31, 2004	$5,268,697	$2,695,947	$0	$2,572,750	$1,666,710	$62,997	$248,892	$213,010	$234,377	$106,833	$0	$39,931	$0	$0
Prior period adjustments (describe)														
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Adjusted Balance,Aug.31, 2004	$5,268,697	$2,695,947	$0	$2,572,750	$1,666,710	$62,997	$248,892	$213,010	$234,377	$106,833	$0	$39,931	$0	$0
Surplus(def) of revenue over expense	$71,835		$71,835											
Board funded capital transactions		$678,381	($264,559)	($413,822)	$0	($57,056)	($143,756)	($213,010)	$0	$0	$0	$0	$0	$0
Direct credits to net assets	$0	$0												
Amortization of capital assets		($1,448,615)	$1,448,615											
Amortization of capital allocations		$1,208,523	($1,208,523)											
Disposal of unsupported capital assets	$0	($77,824)	$77,824	$0		$0		$0		$0		$0		$0
Disposal of supported capital assets (board funded portion)	$0	$0	$0	$0		$0		$0		$0		$0		$0
Debt principal payments (unsupported)		$7,700	($7,700)											
Net transfers to operating reserves			($57,821)	$57,821	$42,814		$0		$3,450		$11,557		$0	
Net transfers from operating reserves			$37,765	($37,765)	$0		$0		($37,765)		$0		$0	
Net transfers to capital reserves			($97,436)	$97,436		$97,436		$0		$0		$0		$0
Net transfers from capital reserves			$0	$0		$0		$0		$0		$0		$0
Balance at August 31, 2005	$5,340,532	$3,064,112	$0	$2,276,420	$1,709,524	$103,377	$105,136	$0	$200,062	$106,833	$11,557	$39,931	$0	$0

School Jurisdiction Code: 2115

STATEMENT OF CAPITAL ALLOCATIONS
(SUPPORTED CAPITAL FINANCING ONLY)
for the Year Ended August 31, 2005

(in dollars)

	Deferred Capital Allocations	Unamortized Capital Allocations
Balance at August 31, 20	$2,030,915	$24,165,106
Prior period adjustment	$0	$0
Adjusted balance, August 31, 2004	$2,030,915	$24,165,106
Add:		
Capital allocations from: Infrastructure and Transportation-New/Modernization Projects	$514,404	
Other Government of Alberta	$0	
Federal Government and/or First Nations	$0	
Other sources	$0	
Interest earned on provincial government capital allocations	$32,066	
Other capital grants and donations	$0	
Proceeds on disposal of supported capital assets	$0	
Insurance proceeds	$0	
Donated capital assets (amortizable, at Fair Market Value)		$0
Transferred in capital assets (amortizable, at Net Book Value)		$0
Current Year Debenture Principal Repayment		$924,497
Expended capital allocations - current year	($2,577,385)	$2,577,385
Less:		
Unamortized Capital Allocation affected by a disposal through transfer out		$0
Capital allocations amortized to revenue		$1,208,523
Balance at August 31, 2005	$0	$26,458,465

1. Authority and purpose

The School Jurisdiction delivers education programs under the authority of the *School Act*, Revised Statutes of Alberta 2000, Chapter S-3.

The School Jurisdiction receives block allocations for instruction and support under Regulation 77/2003. The Regulation allows for setting of conditions and use of grant monies. The School Jurisdiction is limited on administration expenses and is permitted to reallocate funding within the Alberta Learning instruction and support block areas.

2. Summary of significant accounting policies

These financial statements have been prepared in accordance with Canadian generally accepted accounting principles (GAAP) and accounting policies consistent with those prescribed by Alberta Learning for Alberta school jurisdictions. The precise determination of many assets and liabilities is dependent on future events. As a result, the preparation of financial statements for a period involves the use of estimates and approximations, which have been made using careful judgment. Actual results could differ from those estimates and approximations. The financial statements have, in management's opinion, been properly prepared within reasonable limits of materiality and within the framework of the accounting policies summarized below:

Revenue recognition

The Wetaskiwin Regional Division #11 (the "Regional Division") follows the deferral method of accounting for contributions.

Revenue is recognized as follows:

Instruction and support allocations are recognized in the year to which they relate.

Fees for services related to courses and programs are recognized as revenue when such courses and programs are delivered.

Unrestricted contributions are recognized as revenue when received or receivable. Contributions in-kind are recorded at fair market value when reasonably determinable.

Externally restricted contributions are deferred and recognized as revenue in the period in which the restriction is complied with.

Restricted investment income is recognized as revenue in the year in which the related expenses are incurred. Unrestricted investment income is recognized as revenue when earned.

2. Summary of significant accounting policies *(continued)*

Cash

Cash and cash equivalents include cash on hand balances with bank and short term deposits with original maturities of one year or less.

Prepaid expenses

Certain expenditures incurred and paid before the close of the school year are for specific school instructional materials, which will be consumed subsequent to the year-end, and are accordingly recorded as prepaid expenses. Certain insurance expenses fall into this category.

Inventories

Inventories are recorded at the lessor of cost or net realizable value.

School generated funds

These are the funds in the community, which come under the control and responsibility of the school principal and are for school activities. These funds are usually collected and retained at the school for expenditures paid at the school level (e.g. yearbook sales, graduation fees, field trip fees, etc.).

Capital assets

Capital assets are recorded at cost. Contributed capital assets are recorded at fair market value at the date of the contribution. Amortization is provided on a straight line basis over the assets' estimated useful lives at the following rates:

Buildings	2.5% to 10%
Equipment	10% and 20%
Vehicles	10% and 20%

Only capital assets with costs in excess of $5,000 are capitalized. Any capital allocations received for asset additions are amortized over the same period as the related asset.

2. Summary of significant accounting policies *(continued)*

Long-lived assets

Long-lived assets consist of buildings, vehicles and equipment. Long-lived assets held for use are measured and amortized as described in the applicable accounting policies.

The Regional Division performs impairment testing on long-lived assets held for use whenever events or changes in circumstances indicate that the carrying value of an asset, or group of assets, may not be recoverable. Impairment losses are recognized when undiscounted future cash flows from its use and disposal are less than the assets' carrying amount. Impairment is measured as the amount by which the assets' carrying value exceeds its fair value. Any impairment is included in expenses for the period, year.

Vacation pay

Vacation pay is accrued in the period in which the employee earns the benefit.

Pension obligation

Pension costs included in these statements comprise the cost of employer contributions for current service of employees during the year. See Note 12 for additional information.

Operating and capital reserves

Reserves are established at the discretion of the Board of Trustees of the jurisdiction, to set aside funds for operating and for future capital expenditures. Such reserves are appropriations of accumulated surplus.

Financial instruments

The jurisdiction's financial instruments consist of cash and temporary investments, accounts receivable, school generated funds, accounts payable and accrued liabilities and long-term debt. It is management's opinion that the jurisdiction is not exposed to significant interest, currency or credit risks arising from the financial instruments. The jurisdiction has invested surplus funds in accordance with Section 60 of the *School Act* and Section 5 of the Trustees Act.

2. Summary of significant accounting policies *(continued)*

Employee Future Benefits

The Regional Division accrues its obligations under employee future benefit plans and expenses the related costs in the current year.

Contributed services

Volunteers contribute a considerable number of hours per year to various schools, which are within the school board to ensure that certain programs are delivered, such as kindergarten, lunch services, and the raising of school generated funds. Because of the difficulty of compiling these hours and the fact that these services are not otherwise purchased, contributed services are not recognized in the financial statements.

3. Change in accounting policy

Effective September 1, 2004, the Regional Division adopted the Canadian Institute of Chartered Accountants' recommendations for Impairment of Long-Lived Assets. Pursuant to these recommendations, the change was applied prospectively, and prior periods have not been restated.

Previously, the Regional Division recorded long-lived assets at cost, less any provision needed to write down the assets to their net recoverable amount based on undiscounted estimated future net cash flows. Under the new recommendations, long-lived assets held for use are recorded at the lower of their carrying amount and fair value as described in Note 2, Significant Accounting Policies.

Upon adoption of the new recommendations, the Regional Division evaluated its long-lived assets and determined that no impairment existed that had a material effect on the financial statements

4. Accounts receivable

	2005	*2004*
Province of Alberta	**$ 2,880,562**	$ 2,031,886
Federal Government	**593,350**	669,518
Other	**208,770**	277,836
Other Alberta School Jurisdictions	**11,378**	13,917
	$ 3,694,060	$ 2,993,157

5. Bank indebtedness

The Regional Division has a prime less 0.5% operating line of credit of $4,000,000 of which $4,000,000 is unused at August 31, 2005. As security the Regional Division has provided a borrowing by-law.

6. Accounts payable and accrued liabilities

	2005	*2004*
Trade and other	**$ 954,357**	$ 1,948,027
Province of Alberta	**471,744**	802,688
Federal Government	**20,349**	516,553
	$ 1,446,450	$ 3,267,268

7. Deferred revenue

	2005	*2004*
Province of Alberta	**$ 1,479,026**	$ 1,133,612
Other	**4,295**	3,210
	$ 1,483,321	$ 1,136,822

8. Deferred capital allocations

Deferred capital allocations represent externally restricted supported capital funds provided for a specific capital purpose that have been received or are receivable by the jurisdictions, but the related expenditure has not yet been made at year-end. Any unspent deferred capital allocations are not amortized until the expenditure has been made and it is at that time that the balance is transferred to the unamortized capital allocations account. As at August 31, 2005 all capital funds received from external parties had been expended and therefore, transferred from to deferred capital contributions to the unamortized capital contributions account.

9. Trust assets and liabilities

	2005	*2004*
Student Health Initiative Trust	**$ 300,851**	$ 271,795
Scholarship trusts	**125,104**	122,259
Deferred Salary Leave Plan	**28,769**	41,730
Skills Link project	**25,235**	7,832
	$ 479,959	$ 443,616

10. Long-term debt

	2005	*2004*
Debentures: 6.875% to 15.75% Alberta Capital Finance Authority debentures maturing at various dates from 2006 to 2019. Debenture debt is authorized by Alberta Treasury and $6,817,949 is fully supported. Interest paid on long-term debt during 2004 – 2005 was $747,065.	**$ 6,876,149**	$ 7,808,348
Less: current portion	**922,089**	932,198
	$ 5,954,060	$ 6,876,150

Debenture and capital loan repayments required in each of the next five years and beyond are due as follows:

	Principal	Interest	Total
2005 - 2006	$ 922,089	$ 711,994	$ 1,634,083
2006 - 2007	922,089	613,464	1,535,553
2007 - 2008	840,805	514,933	1,355,738
2008 - 2009	772,737	425,579	1,198,316
2009 - 2010	737,376	343,839	1,081,215
2010 to maturity	2,681,053	937,009	3,618,062
Total	$ 6,876,149	$ 3,546,818	$ 10,422,967

The current portion of long-term debt includes $914,389 of amounts payable by Alberta Finance on supported debt; therefore, the working capital (current assets minus current liabilities) is understated by this amount.

11. Unamortized capital allocations

Unamortized capital allocations represent externally restricted supported capital funds that have been spent, but have yet to be amortized over the useful life of the applicable capital asset to which the restricted capital allocations apply. The unamortized capital allocations account balance is increased by transfers of previously deferred capital allocations now spent, as well as fully-supported debentured capital funds, as the principal is repaid.

12. Pension Plans

The current service and past service costs of the Alberta Teacher Retirement Fund are met by contributions by active members and the Government of Alberta. Under the terms of the Teachers Pension Plan Act, the Wetaskiwin Regional Division does not make pension contributions for certificated staff.

The school board participates in the multi-employer pension plan, Local Authorities Pension Plan. The expense for this pension plan is equivalent to the annual contributions of $497,731 for the year ended August 31, 2005. At December 31, 2004 the Local Authorities Pension Plan reported an actuarial deficiency of $1,288,924 (2003 deficiency of $1,410,987,000).

13. SIPP

During the year, the Regional Division became a member of the Supplemental Integrated Pension Plan. The plan provides supplementary pension plan benefits to a prescribed class of employees in addition to Local Authorities Pension Plan or Alberta Teacher Retirement Fund.

There are nine employees who are eligible to participate in the plan, one employee is currently participating.

The Regional Division is required to make current service contributions to SiPP of 5.0% of employment income. The current service contributions in 2005 were $5,000 (2004 - $nil) and past service costs were $4,730 (2004 - $nil).

14. Commitments

Operating leases

The Regional Division has entered into a number of operating leases, which have financial commitments as outlined below. These leases relate to photocopiers, financial systems hardware, facilities rental and grounds maintenance.

2005-2006	$ 416,239
2006-2007	389,719
2007-2008	324,928
2008-2009	305,203
2009-2010	24,782
Total	$ 1,460,871

15. Contingency

The jurisdiction is a member of a reciprocal insurance exchange called ALAIRE. A portion of the premiums paid each year represents equity contributions to the insurance fund. These payments have been recorded as expenditures in the financial statements as the value of equity is subject to liability claims and is not an asset that the jurisdiction can liquidate.

16. Economic dependence on related third party

The School Jurisdiction received 75.2% and 9.3% (2004 – 72.7% and 10.2%) of its revenues pursuant to funding arrangements with Alberta Education and Alberta Infrastructure respectively. The Division's ability to continue viable operations is dependent on this funding.

17. Budget amounts

The School Jurisdiction management prepared the budget with Board of Trustees approval given on June 28, 2004. It is presented for information purposes only and has not been audited.

SCHEDULE A to the AFS

School Jurisdiction Cod 2115

ALLOCATION OF REVENUES AND EXPENSES TO PROGRAMS - 2004-2005

REVENUES	TOTAL	ECS to Grade 12 Instruction	Operations and Maintenance of Schools & Maintenance Shops	Transportation	Board & System Admin.	External Services
(1) **Alberta Education Revenues**	$33,425,619	$27,805,696	$1,560,712	$2,569,565	$1,486,194	$3,450
Alberta Infrastructure and Transportation						
(2) Infrastructure Maintenance Program & Portable Relocations support	$223,985	$0	$223,985			
(3) Regular Operations & Maintenance support	$2,184,998		$2,184,998			
(4) Other support	$0	$0	$0			
(5) **Total Alberta Infrastructure and Transportation Revenues**	$2,408,983	$0	$2,408,983			
(6) **Alberta Finance**	$740,726		$740,726			$0
(7) **Other - Government of Alberta**	$292,680	$135,751	$3,525	$0	$0	$153,404
(8) **Federal Government and/or First Nations**	$2,741,679	$2,289,060	$329,151	$0	$123,468	$0
(9) **Other Alberta school authorities**	$0	$0	$0	$0	$0	$0
(10) **Out of province authorities**	$0	$0	$0	$0	$0	$0
(11) **Alberta municipalities** (excl. supplementary requisitions)	$0	$0	$0	$0	$0	$0
(12) **Instruction resource fees**	$512,066	$512,066				
(13) **Transportation fees**	$9,925			$9,925		
(14) **Other sales and services**	$241,769	$211,328	$17,202	$0	$13,239	$0
(15) **Investment income**	$76,606	$38,303	$0	$0	$38,303	$0
(16) **Gifts and donations**	$0	$0	$0	$0		$0
(17) **Rentals of facilities**	$22,667	$3,100	$19,567	$0	$0	$0
(18) **Net school generated funds**	$887,162	$887,162			$0	
(19) **Gains on disposal of capital assets**	$0	$0	$0	$0	$0	$0
(20) **Amortization of capital allocations**	$1,208,523	$10,487	$1,198,036	$0		$0
(21) **TOTAL REVENUES**	$42,568,405	$31,892,955	$6,277,902	$2,579,490	$1,661,204	$156,854
EXPENSES						
(22) **Certificated salaries**	$19,714,279	$19,351,603			$362,676	$0
(23) **Certificated benefits**	$2,386,498	$2,341,589			$44,909	$0
(24) **Uncertificated salaries and wages**	$7,617,194	$4,848,423	$1,864,458	$106,699	$682,000	$115,614
(25) **Uncertificated benefits**	$1,876,085	$1,235,303	$430,952	$27,846	$173,663	$8,321
(26) **SUB - TOTAL**	$31,594,056	$27,776,918	$2,295,410	$134,545	$1,263,248	$123,935
(27) **Services, contracts & supplies**	$7,793,410	$2,931,006	$2,000,157	$2,429,082	$403,696	$29,469
(28) **Cost recoveries & charges to programs**	$0	$0	$0	$0	$0	$0
(29) **Net school generated funds**	$887,162	$887,162				
Capital and debt services						
Amortization of capital assets						
(30) Supported	$1,208,523	$10,487	$1,198,036	$0	$0	$0
(31) Unsupported	$240,092	$172,465	$37,234	$4,306	$26,087	$0
(32) Total Amortization	$1,448,615	$182,952	$1,235,270	$4,306	$26,087	$0
Interest on capital debt						
(33) Supported	$740,726	$0	$740,726	$0	$0	$0
(34) Unsupported	$6,339	$0	$6,339	$0	$0	$0
(35) Other interest charges	$5,938	$0	$0	$0	$5,938	$0
(36) Losses on disposal of capital assets	$20,324	$20,324	$0	$0	$0	$0
(37) **TOTAL EXPENSES**	$42,496,570	$31,798,362	$6,277,902	$2,567,933	$1,698,969	$153,404
(38) **SURPLUS (DEFICIT) BEFORE EXTRAORDINARY ITEM**	$71,835	$94,593	$0	$11,557	($37,765)	$3,450

School Jurisdiction Code: 2115

SCHEDULE B to the AFS

ALBERTA EDUCATION REVENUES 2004-2005

	TOTAL
Base Funding	
Early Childhood Services (ECS)	$1,467,474
Base Instruction (Gr 1-12)	$18,695,263
Outreach Programs	$104,040
Home Education	$13,983
Differential Cost Funding *	$11,422,964
Other Provincial Support	
Institutional Programs	$76,628
Regional Consortium (6 boards) and Regional Educational Consulting Services (4 boards)	$0
Learning Resources Credit	$35,232
Federal French Funding	$0
Provincial Priority Targeted Funding	
Class Size Initiative	$607,482
Student Health Initiative (SHI)	$321,577
Alberta Initiative for School Improvement (AISI)	$575,458
High Speed Networking	$0
Children and Youth with Complex Needs	$0
Other Alberta Education Revenues (describe) Social Studies textbooks - one-time	$105,518
Total Alberta Education Revenues	$33,425,619

* Differential Cost Funding is based on distribution formulas designed to address variable cost factors and incremental costs associated with other variables and specific student populations. Included in differential cost funding are allocations for students with severe disabilities, English as a second language students, Francisation and support services for immigrant students, aboriginal students, gifted & talented early childhood services children and those with mild or moderate or severe disabilities, the percentage of the student population experiencing low socio-economic status, small schools by necessity, intra-jurisdiction distances, year to year enrolment fluctuations, small school board administration, schools located in the north, boarding, transportation, stabilization of funding, and cost differences among school jurisdictions for purchasing goods and services

School Jurisdiction Code: 2115

SCHEDULE C the AFS
ECS to Grade 12 INSTRUCTION PROGRAMS Expense Details - 2004-2005

SUB-PROGRAMS & INITIATIVES	ECS to GRADE 12 Instruction						
	Certificated Remuneration	Uncertificated Remuneration	Services, Contracts & Supplies [1]	Learning Resources	Cost Recoveries & Transfers	Other Expenses [2]	TOTAL EXPENSES
School Administration & All Instruction Support	$2,082,159	$1,951,387	$1,348,887		$0	$260,776	$5,643,209
Mild & Moderate Disabilities/Gifted & Talented (ECS-12)	$2,188,092	$494,116	$7,929		$0		$2,690,137
ECS Program Unit (PUF)	$714,692	$546,280	$209,161		$0		$1,470,133
Severe Disabilities (Gr 1-12)	$3,164,191	$2,295,770	$33,647		$0		$5,493,608
English as a Second Language	$22,297	$25,408	$663		$0		$48,368
French Language Program & Francisation (all jurisdictions)	$234,155	$0	$2,447		$0		$236,602
First Nations, Metis and Inuit Education (ECS - Gr 12)	$92,398	$145,655	$17,792		$0		$255,845
Home Education	$29,984	$12,811	$11,456		$0		$54,251
Institutional Programs	$83,200	($3,877)	$7,853		$0		$87,176
Alberta Initiative for School Improvement	$415,057	$26,164	$134,237	$0	$0		$575,458
Student Health Initiative	$0	$302,303	$15,824		$0		$318,127
High Speed Networking			$0		$0		$0
Class Size	$448,792	$0	$0	$0	$0		$448,792
Children and Youth with Complex Needs (ECS - Gr 12)	$0	$0	$0		$0		$0
All Other Student Instruction Expenses (ECS - Gr 12)	$12,218,175	$287,709	$1,290,575	$0	$0	$680,197	$14,476,656
TOTAL EXPENSES	$21,693,192	$6,083,726	$3,080,471	$0	$0	$940,973	$31,798,362

FULL-TIME-EQUIVALENCIES (Board/Contract)	FTE Certificated	FTE Uncertificated
Mild & Moderate Disabilities/Gifted & Talented (ECS - Gr 1	26.8	13.6
ECS Program Unit (PUF)	3.5	11.0
Severe Disabilities (Gr 1-12)	45.8	71.3

Note 1 Excludes Learning Resources.

Note 2 Includes Net School Generated Funds, Amortization, Interest, and Losses on Disposal of Instruction Program Capital Assets.

School Jurisdiction Code: 2115

SCHEDULE D to the AFS
CALCULATION OF MAXIMUM ELIGIBLE EXPENSE LIMIT FOR BOARD (GOVERNANCE) AND SYSTEM ADMINISTRATION - 2004-2005

TOTAL EXPENSES	**$42,496,570**

STEP 1

Calculation of maximum expense limit PERCENTAGE for Board and System Administration expenses

If "Total Net Enrolled Students" are 6,000 and over	= 4%	**5.06%**
If "Total Net Enrolled Students" are 2,000 and less	= 6%	

The Maximum Expense Limit for Board and System Administration is based on an arithmetical proration for the TOTAL FTE count for grades 1 -12, net of Home Education AND Adult students, between 2,000 to 6,000 at .0005 per FTE.

EXAMPLE: 4,500 FTE count grades 1-12 = 6,000 - 4,500 = 1,500 X .0005 = .75% plus 4% = maximum expense limit of 4.75%.

Note: Calculation unnecessary if Total FTE is 6,000 or more, and 2,000 & less.

STEP 2

Calculate maximum expense limit AMOUNTS for Board and System Administration expenses

Maximum Expense Limit percentage (Step 1) x TOTAL EXPENSES		$2,150,326
Considerations for Charter Schools and Small School Boards:		
If **Charter School**, enter $56,100	$0	$0
If **School Board**, please enter your 04-05 Gr 1- 12 funded enrolment	0	
	$0	$0
MAXIMUM EXPENSE LIMIT		**$2,150,326**

STEP 3

Compare maximum expense limit amounts calculated in Step 2 to actual expenses (from Schedule A)

Actual Board Governance & System Administration expenses	$1,698,969
PLUS: transfers to Restricted - Operating (Board/System Administration)	$3,450
LESS: transfers from Restricted - Operating (Board/System Administration)	-$37,765
TOTAL BOARD GOVERNANCE & SYSTEM ADMINISTRATION EXPENSES	$1,664,654
MAXIMUM EXPENSE LIMIT	$2,150,326
ACTUAL EXPENSES - OVER(UNDER) MAXIMUM EXPENSE LIMIT	-$485,672

School Jurisdiction Code: 2115

SCHEDULE E to the AFS
SOURCE & APPLICATION OF SCHOOL GENERATED FUNDS (SGF) - 2004-2005

Unexpended SGF - Opening Balance August 31, 2004 (Note 1)				$735,465
Source of Net School Generated Funds:	**Gross SGF**	**Related Expenses**	**Net SGF**	
Fundraising activities	$576,820	$477,423	$99,397	
Student fees (Non-Instructional) (Note 2)	$575,632		$575,632	
Donations and grants to schools	$130,898		$130,898	
Other (describe)	$165,585	$65,652	$99,933	
Net Additions to SGF	$1,448,935	$543,075		$905,860
Net SGF Available for Discretionary Spending				$1,641,325
Application of Net School Generated Funds:				
Extra-curricular activities			$403,851	
School beautification			$8,373	
Field Trips			$225,863	
Equipment			$142,087	
Family literacy and other community resources			$6,750	
Other (describe)			$100,238	
Net SGF Expended for Discretionary Purposes (Note 3)				$887,162
Unexpended SGF - Closing Balance August 31, 2005 (Note 4)				$754,163

School Generated Funds (SGF) are funds raised in the community for student activities that come under the control and responsibility of school management. These funds are usually collected and retained at the school for expenditures paid at the school level. SGF does not include fees with respect to instructional supplies or materials collected pursuant to Section 60(2)(j) of the *School Act*, and any other funds collected at the school but remitted to central office and accounted for by the jurisdiction (facility rentals, capital assets purchases, etc.)

Note 1 Input "(Restated)" beside Balance at August 31, 2004 where not taken from the finalized 2003-2004 Audited Financial Statements.

Note 2 Excludes fees collected pursuant to Section 60(2)(j) of the School Act (fees with respect to instructional supplies or materials - essentially textbooks, resource materials in lieu of textbooks, media, software, and materials for classrooms). Amounts collected for CEU-related activities are recorded as instruction resource fees, not SGF.

Note 3 Net SGF Expended for Discretionary Purposes is recorded as revenue and expense in the Statement of Revenues & Expenses.

Note 4 Unexpended SGF is carried forward to the Statement of Financial Position.

School Jurisdiction Code: 2115

SCHEDULE F to the AFS
Operations and Maintenance Program Expenses - 2004-2005

EXPENSES	Custodial	Maintenance	Utilities and Telecommunications	Expensed Mod./I.M.P. & Portable Relocations	Facility Planning & Operations Administration	SUB-TOTAL Operations & Maintenance	Supported Capital & Debt Services	TOTAL Operations and Maintenance
Uncertificated salaries and wages	$1,234,849	$419,577	$0	$3,781	$206,251	$1,864,458		$1,864,458
Uncertificated benefits	$291,590	$89,999	$0	$0	$49,363	$430,952		$430,952
Sub-total Remuneration	$1,526,439	$509,576	$0	$3,781	$255,614	$2,295,410		$2,295,410
Contracted Services	$0	$93,036	$26,422	$125,225	$8,867	$253,550		$253,550
Supplies	$106,951	$356,162	$0	$43,859	$26,351	$533,323		$533,323
Electricity			$667,161			$667,161		$667,161
Natural Gas/Heating Fuel			$370,553			$370,553		$370,553
Sewer and Water			$51,747			$51,747		$51,747
Telecommunications			$0			$0		$0
Insurance					$123,823	$123,823		$123,823
Amortization of capital assets								
Supported							$1,198,036	$1,198,036
Unsupported						$37,234		$37,234
Total Amortization						$37,234	$1,198,036	$1,235,270
Interest on capital debt								
Supported							$740,726	$740,726
Unsupported				$0		$6,339		$6,339
Other interest charges						$0		$0
Losses on disposal of capital assets						$0		$0
Cost recoveries & transfers						$0		$0
TOTAL EXPENSES	$1,633,390	$958,774	$1,115,883	$172,865	$414,655	$4,339,140	$1,938,762	$6,277,902
SQUARE METRES								
School Buildings								65,729.3
Non School Buildings								2,129.0
UNCERTIFICATED FTE'S (Board/Contract)	33.7	12.0						

Notes:

Custodial:	All expenses related to activities undertaken to keep the school environment clean and safe
Maintenance:	All expenses associated with the repair, replacement and minor construction of buildings, grounds and equipment components This includes regular and preventative maintenance undertaken to ensure components reach or exceed their life cycle and the repair of broken components
Utilities & Telecommunications:	All expenses related to electricity, natural gas and other heating fuels, sewer and water and all forms of telecommunications
Expensed Block Mod/I.M.P. & Portable Relocations:	All expenses associated with non-capital activites related to Block Modemization, Infrastructure Maintenance Programs (AKA Building Quality Restoration Program) and portable relocations
Facility Planning & Operations Administration:	All expenses related to the administration of operations and maintenance including (but not limited to) contract administration, clerical functions, negotiations, supervision of employees and contractors, administration of capital projects (including new schools, I.M.P., block modemization and portable relocations), administration of joint-use agreements, and all expenses related to ensuring compliance with health and safety statndards, codes and government regulations
Supported Capital & Debt Services:	All expenses related to supported capital assets amortization and interest on supported capital debt

School Jurisdiction Code: 2115

SCHEDULE G to the AFS

DISCLOSURE OF SALARIES AND BENEFITS - 2004-2005

(SECTION 148.1 OF THE SCHOOL ACT)

		FTEs	Remuneration	Benefits	Allowances	Performance Bonuses	ERIP's / Other	Total	Expenses
Chairperson:									
Name	Mr. Robert Reimer	1.0	$18,038	$3,880	$0			$21,918	$7,111
Name		0.0	$0	$0	$0			$0	$0
Other Board Members:									
Name	Mr. Ed Zacharko	1.0	$17,047	$4,268	$0			$21,315	$6,133
Name	Ms. Barb Johnson	1.0	$13,982	$4,311	$0			$18,293	$6,337
Name	Mr. Greg Butt	1.0	$16,341	$4,350	$0			$20,691	$7,003
Name	Mrs. Donna Hogg	0.9	$13,523	$3,236	$0			$16,759	$5,239
Name	Mrs. Kathy Ollenberger	0.9	$14,201	$3,276	$0			$17,477	$9,045
Name	Mr. Glen Norby	0.9	$10,316	$2,272	$0			$12,588	$5,932
Name	Mr. Gerd Andres	0.1	$1,569	$565	$0			$2,134	$0
Name	Mrs. Kathy Rooyakkers	0.1	$1,666	$566	$0			$2,232	$661
Name	Mr. Steven Hines	0.1	$3,708	$86	$0			$3,794	$271
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Subtotal		*7.0*	*$110,391*	*$26,810*	$0			*$137,201*	*$47,732*
Superintendent	Dr. Terry Pearson	1.0	$120,015	$12,753	$0	$0	$0	$132,768	$11,412
Superintendent		0.0	$0	$0	$0	$0	$0	$0	$0
Secretary/Treasurer	Ms. Arlene Dow	1.0	$95,141	$23,265	$0	$0	$0	$118,406	$6,660
Secretary/Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Board Secretary		0.0	$0	$0	$0	$0	$0	$0	$0
Board Secretary		0.0	$0	$0	$0	$0	$0	$0	$0
Board Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Board Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Certificated Salaries		280.3	$19,594,264	$2,373,745	$0	$0	$0	$21,968,009	
Uncertificated Salaries & Wages		224.0	$7,411,662	$1,826,010	$0	$0	$0	$9,237,672	
TOTALS			**$27,331,473**	**$4,262,583**	**$0**	**$0**	**$0**	**$31,594,056**	

Note: Please refer to completion information on page 15

School Jurisdiction Code 1325

AUDITED
FINANCIAL STATEMENTS
and Supporting Schedules
FOR THE YEAR ENDED AUGUST 31, 2005
[School Act, Sections 147(2)(a), 148, 151(1) and 276]

Wild Rose School Division No. 66
Legal Name of School Jurisdiction

4912 - 43 Street, Rocky Mountain House, Alberta
Mailing Address

Telephone: (403) 845-3376, Fax: (403) 845-4287
Telephone and Fax Numbers

SCHOOL JURISDICTION MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The financial statements and supporting schedules Wild Rose School Division No. 66
(Name of School Jurisdiction)
presented to Alberta Learning have been prepared by school jurisdiction management which has responsibility for their preparation, integrity and objectivity. The financial statements and schedules, including notes, have been prepared in accordance with generally accepted accounting principles and Ministerial requirements for Alberta school jurisdictions.

In fulfilling its reporting responsibilities, management has maintained internal control systems and procedures designed to provide reasonable assurance that the school jurisdiction's assets are safeguarded, that transactions are executed in accordance with appropriate authorization and that accounting records may be relied upon to properly reflect the school jurisdiction's transactions. The effectiveness of the control systems is supported by the selection and training of qualified personnel, an organizational structure that provides an appropriate division of responsibility and a strong budgetary system of control.

Board of Trustees Responsibility
The ultimate responsibility for the financial statements lies with the Board of Trustees. The Board reviewed the financial statements with management in detail and the Board approved the financial statements for release.

External Auditors
The Board appoints external auditors to audit the financial statements and meets with the auditors to review their findings. The external auditors have full and free access to school jurisdiction records.

Declaration of Management and Board Chairman
To the best of our knowledge and belief, these financial statements and supporting schedules reflect, in all material respects, the financial position and results of operations and cash flows for the year in accordance with generally accepted accounting principles and Ministerial requirements for Alberta school jurisdictions.

BOARD CHAIRMAN	
Howard Pearson	"ORIGINAL SIGNED"
Name	**Signature**

SUPERINTENDENT	
J. Greg Thomas	"ORIGINAL SIGNED"
Name	**Signature**

SECRETARY TREASURER OR TREASURER	
Cody G. McClintock	"ORIGINAL SIGNED"
Name	**Signature**

14-Dec-05
Board-approved Release Date

c.c. **ALBERTA EDUCATION, School Reporting Branch,**
8th Floor Commerce Place, 10155-102 Street, Edmonton AB T5J 4L5
EMAIL: Cindy.Jarry@gov.ab.ca
PHONE: (780) 427-7782 FAX: (780) 422-6996

AUDITORS' REPORT

To The Board of Trustees

Wild Rose School Division No. 66

We have audited the statement of financial position of the Wild Rose School Division No. 66 as at August 31, 2005 and the statements of revenues and expenses, cash flows, changes in net assets and capital allocations for the year then ended. These financial statements are the responsibility of the school jurisdiction's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance as to whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the school jurisdiction as at August 31, 2005 and the results of its operations, changes in cash flows, net assets and capital allocations for the year then ended in accordance with Canadian generally accepted accounting principles.

Our audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplementary information included in Schedules A through G is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such supplementary information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

Gitzel Krejci Dand Peterson

Stettler, Alberta
November 23, 2005

CHARTERED ACCOUNTANTS

School Jurisdiction Code: 1325

STATEMENT OF FINANCIAL POSITION

as at August 31, 2005

(in dollars)

		2005	2004
ASSETS			
Current assets			
Cash and temporary investments		$4,916,817	$9,225,150
Accounts receivable (net after allowances)		$3,834,628	$1,749,576
Prepaid expenses		$271,328	$327,884
Other current assets		$131,978	$112,579
Total current assets		$9,154,751	$11,415,189
School generated assets		$783,605	$811,273
Trust assets		$243,925	$151,289
Long term accounts receivable		$139,961	$163,035
Long term investments		$0	$0
Capital assets			
Land		$2,264,305	$2,271,069
Buildings	$72,826,150		
Less: accumulated amortization	($24,560,507)	$48,265,643	$46,748,151
Equipment	$9,291,914		
Less: accumulated amortization	($6,466,139)	$2,825,775	$2,200,135
Vehicles	$4,645,057		
Less: accumulated amortization	($2,424,334)	$2,220,723	$2,253,904
Total capital assets		$55,576,446	$53,473,259
TOTAL ASSETS		$65,898,688	$66,014,045
LIABILITIES			
Current liabilities			
Bank indebtedness		$0	$0
Accounts payable and accrued liabilities		$2,670,574	$4,219,342
Deferred revenue		$609,170	$716,233
Deferred capital allocations		$43,368	$1,022,131
Current portion of all long term debt		$686,397	$692,905
Total current liabilities		$4,009,509	$6,650,611
School generated liabilities		$783,605	$811,273
Trust liabilities		$243,925	$151,289
Employee future benefits liability		$0	$0
Long term payables and accrued liabilities		$0	$0
Long term debt			
Supported	Debentures and other supported debt	$5,522,203	$6,215,107
	Less: Current portion of supported debt	($686,397)	($692,905)
Unsupported	Debentures and Capital Loans	$0	$0
	Capital Leases	$0	$0
	Mortgages	$0	$0
	Less: Current portion of unsupported debt	$0	$0
Unamortized capital allocations		$40,799,453	$38,610,691
Total long term liabilities		$46,662,789	$45,095,455
TOTAL LIABILITIES		$50,672,298	$51,746,066
NET ASSETS			
Unrestricted net assets		$2,998,247	$3,153,163
Operating Reserves		$1,621,032	$1,204,593
Accumulated Operating Surplus (Deficit)		$4,619,279	$4,357,756
Investment in capital assets		$9,254,792	$8,647,464
Capital Reserves		$1,352,319	$1,262,759
Total Capital Funds		$10,607,111	$9,910,223
Total net assets		$15,226,390	$14,267,979
TOTAL LIABILITIES AND NET ASSETS		$65,898,688	$66,014,045

Note: Input "(Restated)" in 2004 column heading where comparatives are not taken from the finalized 2003-2004 Audited Financial Statements

School Jurisdiction Code: 1325

STATEMENT OF REVENUES AND EXPENSES

for the Year Ended August 31, 2005

(in dollars)

	Actual 2005	Budget 2005	Actual 2004
REVENUES			
Government of Alberta	$43,506,462	$40,217,752	$40,715,964
Federal Government and/or First Nations	$98,690	$74,979	$38,484
Other Alberta school authorities	$0	$40,134	$21,253
Out of province authorities	$0	$0	$0
Alberta Municipalities (excluding supplementary requisitions)	$0	$0	($2,089)
Instruction resource fees	$133,374	$150,193	$60,974
Transportation fees	$0	$0	$0
Other sales and services	$253,353	$55,300	$238,292
Investment income	$171,133	$223,000	$206,859
Gifts and donations	$51,274	$8,500	$99,840
Rentals of facilities	$24,789	$11,500	$21,889
Net school generated funds	$1,299,038	$1,147,085	$1,348,937
Gains on disposal of capital assets	$30,497	$0	$0
Amortization of capital allocations	$1,681,032	$1,801,694	$1,703,871
Total Revenues	$47,251,642	$43,730,137	$44,454,274
EXPENSES			
Certificated salaries	$20,826,835	$19,880,764	$19,536,576
Certificated benefits	$2,217,201	$1,988,076	$2,012,137
Uncertificated salaries and wages	$8,522,020	$8,161,501	$8,057,786
Uncertificated benefits	$1,729,886	$1,387,455	$1,580,823
Services, contracts and supplies	$8,283,557	$7,764,236	$7,937,765
Net school generated funds	$1,299,038	$1,147,085	$1,348,939
Capital and debt services			
Amortization of capital assets			
Supported	$1,681,032	$1,801,694	$1,70[illegible],871
Unsupported	$1,153,434	$1,013,788	$1,140,611
Total Amortization of capital assets	$2,834,466	$2,815,482	$2,844,482
Interest on capital debt			
Supported	$578,773	$626,055	$655,718
Unsupported	$0	$0	$0
Total Interest on capital debt	$578,773	$626,055	$655,718
Other interest charges	$1,454	$1,500	$893
Losses on disposal of capital assets	$0	$0	$5,400
Total Expenses	$46,293,230	$43,772,154	$43,980,519
SURPLUS (DEFICIT) OF REVENUES OVER EXPENSES BEFORE EXTRAORDINARY ITEM	$958,411	($42,017)	$473,755
Extraordinary Item	$0	$335,000	$50,305
SURPLUS (DEFICIT) OF REVENUES OVER EXPENSES	$958,411	$292,983	$524,060

Note: Input "(Restated)" in Budget 2005 and/or Actuals 2004 column headings where comparatives are not taken from the respective finalized 2004-2005 Budget Report and/or finalized 2003-2004 Audited Financial Statements.

School Jurisdiction Code: 1325

STATEMENT OF CASH FLOWS

for the Year Ended August 31, 2005

(in dollars)

	2005	2004
CASH FLOWS FROM:		
A. OPERATIONS		
Surplus (deficit) of revenues over expenses for the year	$958,411	$524,058
Add (Deduct) items not requiring cash:		
Amortization of capital allocations revenue	($1,681,032)	($1,703,871)
Total amortization expense	$2,834,466	$2,844,482
Gains on disposal of capital assets	($30,497)	$0
Losses on sale of capital assets	$0	$5,400
Changes in accrued accounts:		
Accounts receivable	($2,085,052)	($49,227)
Prepaids and other current assets	$37,157	($70,263)
Long term accounts receivable	$23,074	$28,120
Long term investments	$0	$0
Payables and accrued liabilities	($1,548,768)	$2,329,658
Deferred revenue	($107,063)	($964,798)
Employee future benefit expense (recovery)	$0	$0
Other (describe)	$0	$0
Total sources (uses) of cash from Operations	($1,599,304)	$2.943,559
B. INVESTING ACTIVITIES		
Purchases of capital assets		
Land	$0	$0
Buildings	($3,227,784)	($9,532,552)
Equipment	($1,353,102)	($498,055)
Vehicles	($386,219)	($379,166)
Net proceeds from disposal of capital assets	$59,949	$10,000
Other (describe)	$0	$0
Total sources (uses) of cash from investing activities	($4,907,156)	($10,399,773)
C. FINANCING ACTIVITIES		
Capital allocations	$2,198,126	$806,889
Issue of long term debt	$0	$0
Repayment of long term debt	($692,904)	($786,285)
Add back: supported portion	$692,905	$786,285
Other (describe)	$0	$0
Total sources (uses) of cash from Financing activities	$2,198,127	$806,889
Net sources (uses) of cash during year	($4,308,333)	($6,649,325)
Cash and temporary investments, net of bank indebtedness, at Aug. 31/04	$9,225,150	$15,874,475
Cash and temporary investments, net of bank indebtedness, at Aug. 31/05	$4,916,817	$9,225,150

Note: 1 Input "(Restated)" in 2004 column heading where not taken from the finalized 2003-2004 Audited Financial Statements.
2 Cash and temporary investments are net of cash obligations.

STATEMENT OF CHANGES IN NET ASSETS
for the Year Ended August 31, 2005
(in dollars)

School Jurisdiction 1325

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
	TOTAL NET ASSETS Cols. 2+3+4	**INVESTMENT IN CAPITAL ASSETS**	**UNRESTRICTED NET ASSETS**	**TOTAL INTERNALLY RESTRICTED NET ASSETS** Cols. 5 to 14	**INTERNALLY RESTRICTED NET ASSETS**									
					School Based		**Infrastructure**		**Board & System Admin.**		**Transportation**		**External Services**	
					Operating Reserves	Capital Reserves	O& M Operating Reserves	Capital Reserves	Operating Reserves	Capital Reserves	Operating Reserves	Capital Reserves	Operating Reserves	Capital Reserves
Balance at August 31, 2004	$14,267,979	$8,647,464	$3,153,163	$2,467,352	$175,684	$427,889	$131,274	$212,389	$186,483	$0	$711,152	$622,481	$0	$0
Prior period adjustments (describe)														
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Adjusted Balance,Aug.31, 2004	$14,267,979	$8,647,464	$3,153,163	$2,467,352	$175,684	$427,889	$131,274	$212,389	$186,483	$0	$711,152	$622,481	$0	$0
Surplus(def) of revenue over expense	$958,411		$958,411											
Board funded capital transactions		$1,790,214	($1,434,222)	($355,992)	$0	$0	$0	$0		$0	$0	($355,992)	$0	$0
Direct credits to net assets	$0	$0												
Amortization of capital assets		($2,834,466)	$2,834,466											
Amortization of capital allocations		$1,681,032	($1,681,032)											
Disposal of unsupported capital assets	$0	($29,452)	($30,497)	$59,949		$7,300		$42,149		$0		$10,500		$0
Disposal of supported capital assets (board funded portion)	$0	$0	$0	$0		$0		$0		$0		$0		$0
Debt principal payments (unsupported)		$0	$0											
Net transfers to operating reserves			($1,091,139)	$1,091,139	$0		$517,099		$100,000		$474,040		$0	
Net transfers from operating reserves			$674,700	($674,700)	($420,176)		($210,786)		($43,738)		$0		$0	
Net transfers to capital reserves			($385,603)	$385,603		$5,978		$2,851		$0		$376,774		$0
Net transfers from capital reserves			$0	$0				$0		$0		$0		$0
Balance at August 31, 2005	$15,226,390	$9,254,792	$2,998,247	$2,973,351	($244,492)	$441,167	$437,587	$257,389	$242,745	$0	$1,185,192	$653,763	$0	$0

School Jurisdiction Code: 1325

STATEMENT OF CAPITAL ALLOCATIONS
(SUPPORTED CAPITAL FINANCING ONLY)
for the Year Ended August 31, 2005

(in dollars)

	Deferred Capital Allocations	Unamortized Capital Allocations
Balance at August 31, 20	$1,022,131	$38,610,691
Prior period adjustment	$0	$0
Adjusted balance, August 31, 2004	$1,022,131	$38,610,691
Add:		
Capital allocations from: Infrastructure and Transportation-New/Modernization Projects	$2,166,323	
Other Government of Alberta	$0	
Federal Government and/or First Nations	$0	
Other sources	$0	
Interest earned on provincial government capital allocations	$31,803	
Other capital grants and donations	$0	
Proceeds on disposal of supported capital assets	$0	
Insurance proceeds	$0	
Donated capital assets (amortizable, at Fair Market Value)		$0
Transferred in capital assets (amortizable, at Net Book Value)		$0
Current Year Debenture Principal Repayment		$692,905
Expended capital allocations - current year	($3,176,889)	$3,176,889
Less:		
Unamortized Capital Allocation affected by a disposal through transfer out		$0
Capital allocations amortized to revenue		$1,681,032
Balance at August 31, 2005	$43,368	$40,799,453

WILD ROSE SCHOOL DIVISION No. 66
NOTES TO FINANCIAL STATEMENT
AUGUST 31, 2005

1. AUTHORITY AND PURPOSE

The School Division delivers education programs under the authority of the School Act, Revised Statutes of Alberta 2000, Chapter S-3

The jurisdiction receives block allocations for instruction and support under Regulation 77/2003. The regulation allows for the setting of conditions and use of grant monies. The School Jurisdiction is limited on administration expenses and is permitted to reallocate funding within the Alberta Education instruction and support block areas.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

These financial statements have been prepared in accordance with Canadian generally accepted accounting principles (GAAP) and accounting policies consistent with those prescribed by Alberta Education for Alberta school jurisdictions. The precise determination of many assets and liabilities is dependent on future events. As a result, the preparation of financial statements for a period involves the use of estimates and approximations, which have been made using careful judgment. Actual results could differ from those estimates and approximations. The financial statements have, in management's opinion, been properly prepared within reasonable limits of materiality and within the framework of the accounting policies summarized below:

Revenue Recognition

Revenue is recognized as follows:

Instruction and support allocations are recognized in the year to which they relate.

Fees for services related to courses and programs are recognized as revenue when such courses and programs are delivered.

Unrestricted contributions are recognized as revenue when received and receivable. Contributions in-kind are recorded at fair market value when reasonably determinable.

Externally restricted contributions are deferred and recognized as revenue in the period in which the restriction is complied with. Endowment funds, which are to be retained as net assets, are recorded as direct increases in trust assets and liabilities.

Capital Assets

Capital assets are recorded at cost and amortized over their estimated useful lives on a straight line basis at the following rates:

Buildings	2.5% to 10%
Equipment	10% and 20%
Vehicles	10% and 20%

Only capital assets with costs in excess of $ 5000; or 10 and more items with an aggregate cost in excess of $ 10,000; or restricted by expenditure are capitalized. Any capital allocations received for asset additions are amortized over the same period as the related asset.

The capital asset pools of furniture, equipment and buildings are deemed fully disposed 10 years after full amortization of the costs or incremental costs. Disposal amounts are prorated over the 10 years following full amortization. For buildings, this is an adjustment for the long-term nature of the asset, and capitalization of improvements extending the useful life, without any identifiable disposal of those components previously capitalized. For furniture and equipment, this adjustment recognizes that disposal of assets will take place over time, but not be specifically identifiable.

Inventories

Inventories are recorded at the lower of cost and net realizable value.

School Generated Funds

Funds generated from school-based activities are included as assets, liabilities, revenues and expenses of the school jurisdiction because the accountability and control of these funds rests with school jurisdiction officials or their appointee(s). These funds are usually collected and retained at the school for expenditures paid the school level (e.g. yearbook sales, graduation fees, field trip fees, etc.)

Vacation Pay

Vacation pay is recorded when earned.

Contributed Services

Volunteers assist schools operated by the School Division in carrying out certain activities. Due to the difficulty of determining the fair value of these services and the fact that such assistance is generally not otherwise purchased, contributed services are not recognized in the financial statements.

Financial Instruments

The jurisdiction's financial instruments consist of cash, accounts receivable, accounts payable, accrued liabilities, and long-term debt. It is management's opinion that the jurisdiction is not exposed to significant interest, currency or credit risks arising from these financial instruments. Unless otherwise noted, the fair values of these financial instruments approximate their carrying values. The jurisdiction has invested surplus funds in accordance with Section 60 of the School Act and Section 5 of the Trustees Act.

Pension

Pension costs included in these statements comprise the cost of employer contributions for current service of employees during the year.

The current service and past service costs of the Alberta Teacher Retirement Fund are met by contributions by active members and the Government of Alberta. Under the terms of the Teachers Pension Plan Act, the Wild Rose School Division does not make pension contributions for certificated staff.

The school board participates in the multi-employer pension plan, Local Authorities Pension Plan. The expense for this pension plan is equivalent to the annual contributions of $ 367,440 for the Year ended August 31, 2005. At December 31, 2004, the Local Authorities Pension Plan reported an actuarial deficiency of $1,288,924,000 (2003 deficiency of $1,453,487,000).

Operating and Capital Reserves

Reserves are established at the discretion of the Board of Trustees of the jurisdiction, to set aside funds for operating and for future capital expenditures. Such reserves are appropriations of accumulated surplus.

Employee Future Benefits

The jurisdiction accrues its obligations under employee future benefit plans and expenses the related costs. There is no financial impact on the jurisdiction at this time.

3. ACCOUNTS RECEIVABLE

Accounts Receivable comprises of the following amounts:

	2005	2004
Due from the Provincial Government	$3,418,603	$ 1,383,800
Due from the Federal Government	227,704	198,131
Due from the FMSS Society (Current)	22,184	22,184
Notes Receivable: Pension Buyback (Current)	0	4,688
Notes Receivable: Computer Purchase Plan (Current)	43,855	46,149
Accrued Interest and Refunds	32	8,628
Accounts Receivables: General	122,250	85,995
	$ 3,834,628	$ 1,749,575

4. OTHER CURRENT ASSETS

	2005	2004
Inventories	$ 131,453	$ 112,054
Utility Deposits	525	525
	$ 131,978	$ 112,579

5. LONG TERM ACCOUNTS RECEIVABLE

	2005	2004
Due from the FMSS Society	129,171	149,506
Notes Receivable: Pension Buyback	0	4,688
Notes Receivable: Computer Purchase Plan	10,790	5,033
	$ 139,961	$ 159,227

The amount due from the Frank Maddock Student Services Society; relating to an agreement between the School Division and the Society, for the Society to reimburse certain construction expenditures incurred on the construction of a facility at the Frank Maddock High School. The School Division retains title to the facility. The amount owing is unsecured and non-interest bearing repayment is to be made on a monthly basis. Payments over the next 5 years are as follow:

2006	22,184
2007	22,184
2008	22,184
2009	22,184
2010	22,184
Thereafter	18,251
	$ 129,171

6. BANK INDEBTEDNESS

The School Division has entered into a revolving line of credit agreement with Alberta Treasury Branches and is authorized to borrow up to $ 700,000 at the bank's prime rate of interest less ¼ percent.

The School Division has entered into an agreement with US Bank for VISA credit services for purchasing cards. The agreement allows an average monthly utilization of $ 66,000. The School Division has not utilized this service.

At year-end no amounts were outstanding.

7. DEFERRED REVENUE

Deferred revenue consists of the following unexpended grants, as qualifying expenditures are incurred these grants will be recognized as revenue.

	2005	2004
International Student Services – Advance Fees	$ 16,920	$ -
Bell – Lease Payment	1,000	1,000
Block Modernization Funding	499,229	526,431
Alberta Initiative for School Improvement	92,021	188,802
	$ 609,170	$ 716,233

Block Modernization Grants and accrued interest on these restricted capital funds were in excess of expenditures made. Expenditure of these funds is outlined in the School Division's Facility Master Plan.

Alberta Initiative for School Improvement Grants received, were in excess of expenditures made. Expenditure of these funds is outlined on a project basis, approved by the Board of Trustees and the Province of Alberta.

8. DEFERRED CAPITAL ALLOCATIONS

The School Division was advanced funding by the Province of Alberta for the modernization or replacement of school facilities. These funds are to address issues arising from School Facility Audit performed by the Ministry of Infrastructure. The grant funding and related accumulated interest earned on advances are transferred to Unamortized Capital

Allocations as expenses are incurred. The unexpended funding (or funding due) and related accumulated interest, allocated by the Province of Alberta is as follows:

	2005	2004
Will Sinclair High School	$ -	$ 921,986
H.W. Pickup Jr. High School	43,368	100,144
	$ 43,368	$ 1,022,133

9. TRUST ASSETS AND LIABILITIES

These balances represent cash that is held in trust by the jurisdiction for following areas:

	2005	2004
Deferred salary plan	$ 234,547	$ 138,584
Scholarship funds	6,048	10,064
Other trust amounts	3,330	2,641
	$ 243,925	$ 151,289

10. LONG TERM DEBT

The debenture debt bears interest at rates varying between 7.25 % and 12 %, and mature at various times between 2005 and 2020. The debenture debt is fully supported by Alberta Finance. The current portion of long-term debt consists entirely of amounts payable by Alberta Finance on supported debt; therefore, the working capital (current assets minus current liabilities) is understated by this amount.

	2005	2004
Long Term Debt	$ 5,522,203	$ 6,215,107
Less: Current Portion	686,397	692,905
	$ 4,835,806	$ 5,522,203

Principal payments required in each of the next four fiscal years are as follows:

	2005
2006	686,397
2007	660,733
2008	639,116
2009	617,570
Thereafter	2,918,387
	$ 5,522,203

11. INVESTMENT IN CAPITAL ASSETS

Investment in capital assets is comprised of the following:

	2005	2004
Net Capital Assets	$ 55,576,446	$ 53,473,259
Capital debt	(5,522,203)	(6,215,107)
Unamortized capital allocations	(40,799,453)	(38,610,691)
Investment in capital assets end of year	$ 9,254,790	$ 8,647,461

12. CONTINGENCIES

Contingent Assets

The School Division is a member of a reciprocal insurance exchange called ASBIE. A portion of the premiums paid each year represents equity contributions to the insurance fund. These payments have been recorded as expenditures in the financial statements as the value of the equity is subject to liability claims and is not an asset that the jurisdiction can liquidate.

13. COMMITMENTS

School Construction Contracts

The jurisdiction is committed to construction contracts related to the replacement of Will Sinclair High School. The commitment for construction and architectural fees is approximately $ 67,608 subject to the completion of construction. This commitment is fully funded by Alberta Infrastructure.

Purchase of Property for School

Under the terms of an agreement with the Town of Rocky Mountain House for the purchase of land for a replacement school, the jurisdiction is committed to pay an additional sum equal to 50% of the proceeds above $ 800,000 from the disposition of the Will Sinclair High School property, to a maximum of $ 150,000.

Student Transportation Contracts

The jurisdiction is committed to 35 student transportation contracts for the operation of school buses. These are term contracts with a 90 day notice of early termination clause. The maturity dates for these contracts are grouped as follows:

Contracts with End Date August 31 of	Number of Contracts
2006	14
2007	11
2008	1
2010	7
Total	33

14. ECONOMIC DEPENDENCE ON RELATED THIRD PARTY

During the year the School Division entered into transactions with related parties as follows:

The Wild Rose School Division's primary source of income is from the Alberta Government. The Division's ability to continue viable operations is dependent on this funding.

The Alberta Teachers' Retirement Fund pension plan payments are paid by the provincial government directly to the plan on behalf of the division. The amount of these payments has not been disclosed to the division.

15. BUDGET AMOUNTS

The budget was prepared by the School Division management with Board of Trustee approval. It is presented for information purposes only and has not been audited.

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SCHEDULE A to the AFS

School Jurisdiction Cod 1325

ALLOCATION OF REVENUES AND EXPENSES TO PROGRAMS - 2004-2005

	REVENUES	TOTAL	ECS to Grade 12 Instruction	Operations and Maintenance of Schools & Maintenance Shops	Transportation	Board & System Admin.	External Services
(1)	**Alberta Education Revenues**	$40,029,550	$32,508,177	$1,622,773	$3,898,680	$1,832,201	$167,719
	Alberta Infrastructure and Transportation						
(2)	Infrastructure Maintenance Program & Portable Relocations support	$622,184	$0	$622,184			
(3)	Regular Operations & Maintenance support	$2,271,881		$2,271,881			
(4)	Other support	$0	$0	$0			
(5)	**Total Alberta Infrastructure and Transportation Revenues**	$2,894,065	$0	$2,894,065			
(6)	**Alberta Finance**	$578,773		$578,773			$0
(7)	**Other - Government of Alberta**	$6,074	$1,477	$4,597	$0	$0	$0
(8)	**Federal Government and/or First Nations**	$98,690	$98,690	$0	$0	$0	$0
(9)	**Other Alberta school authorities**	$0	$0	$0	$0	$0	$0
(10)	**Out of province authorities**	$0	$0	$0	$0	$0	$0
(11)	**Alberta municipalities** (excl. supplementary requisitions)	$0	$0	$0	$0	$0	$0
(12)	**Instruction resource fees**	$133,374	$133,374				
(13)	**Transportation fees**	$0			$0		
(14)	**Other sales and services**	$253,353	$212,804	$3,458	$20,726	$11,676	$4,689
(15)	**Investment income**	$171,133	$77,194	$8,655	$8,812	$76,472	$0
(16)	**Gifts and donations**	$51,274	$51,274	$0	$0		$0
(17)	**Rentals of facilities**	$24,789	$6,769	$4,500	$0	$9,720	$3,800
(18)	**Net school generated funds**	$1,299,038	$1,299,038			$0	
(19)	**Gains on disposal of capital assets**	$30,497	$221	$20,076	$10,200	$0	$0
(20)	**Amortization of capital allocations**	$1,681,032	$39,273	$1,641,759	$0		$0
(21)	**TOTAL REVENUES**	$47,251,642	$34,428,291	$6,778,656	$3,938,418	$1,930,069	$176,208
	EXPENSES						
(22)	**Certificated salaries**	$20,826,835	$20,457,347			$223,008	$146,480
(23)	**Certificated benefits**	$2,217,201	$2,176,586			$25,443	$15,172
(24)	**Uncertificated salaries and wages**	$8,522,020	$5,046,000	$1,840,086	$924,738	$707,354	$3,842
(25)	**Uncertificated benefits**	$1,729,886	$1,062,800	$401,347	$114,589	$151,119	$31
(26)	**SUB - TOTAL**	$33,295,942	$28,742,733	$2,241,433	$1,039,327	$1,106,924	$165,525
(27)	**Services, contracts & supplies**	$8,283,557	$3,377,087	$2,421,531	$1,766,081	$713,560	$5,298
(28)	**Cost recoveries & charges to programs**	$0	$0	$0	$0	$0	$0
(29)	**Net school generated funds**	$1,299,038	$1,299,038				
	Capital and debt services						
	Amortization of capital assets						
(30)	Supported	$1,681,032	$39,273	$1,641,759	$0	$0	$0
(31)	Unsupported	$1,153,434	$683,153	$58,878	$361,896	$49,507	$0
(32)	Total Amortization	$2,834,466	$722,426	$1,700,637	$361,896	$49,507	$0
	Interest on capital debt						
(33)	Supported	$578,773	$0	$578,773	$0	$0	$0
(34)	Unsupported	$0	$0	$0	$0	$0	$0
(35)	Other interest charges	$1,454	$712	$0	$0	$742	$0
(36)	Losses on disposal of capital assets	$0	$0	$0	$0	$0	$0
(37)	**TOTAL EXPENSES**	$46,293,230	$34,141,996	$6,942,374	$3,167,304	$1,870,733	$170,823
(38)	**SURPLUS (DEFICIT) BEFORE EXTRAORDINARY ITEM**	$958,411	$286,295	($163,718)	$771,114	$59,336	$5,385

School Jurisdiction Code: 1325

SCHEDULE B to the AFS

ALBERTA EDUCATION REVENUES 2004-2005

	TOTAL
Base Funding	
Early Childhood Services (ECS)	$1,217,845
Base Instruction (Gr 1-12)	$23,691,129
Outreach Programs	$104,040
Home Education	$11,169
Differential Cost Funding *	$11,124,415
Other Provincial Support	
Institutional Programs	$101,394
Regional Consortium (6 boards) and Regional Educational Consulting Services (4 boards)	$0
Learning Resources Credit	$54,614
Federal French Funding	$19,600
Provincial Priority Targeted Funding	
Class Size Initiative	$869,173
Student Health Initiative (SHI)	$50,741
Alberta Initiative for School Improvement (AISI)	$734,221
High Speed Networking	$90,457
Children and Youth with Complex Needs	$0
Other Alberta Education Revenues (describe): text book 125,000, video 60,000, server 36,000, secondment 116,978, O & M 162	$1,960,751
Total Alberta Education Revenues	$40,029,550

- Differential Cost Funding is based on distribution formulas designed to address variable cost factors and incremental costs associated with other variables and specific student populations. Included in differential cost funding are allocations for students with severe disabilities, English as a second language students, Francisation and support services for immigrant students, aboriginal students, gifted & talented early childhood services children and those with mild or moderate or severe disabilities, the percentage of the student population experiencing low socio-economic status, small schools by necessity, intra-jurisdiction distances, year to year enrolment fluctuations, small school board administration, schools located in the north, boarding, transportation, stabilization of funding, and cost differences among school jurisdictions for purchasing goods and services.

School Jurisdiction Code: 1325

SCHEDULE C the AFS

ECS to Grade 12 INSTRUCTION PROGRAMS Expense Details - 2004-2005

SUB-PROGRAMS & INITIATIVES	ECS to GRADE 12 Instruction						
	Certificated Remuneration	Uncertificated Remuneration	Services, Contracts & Supplies [1]	Learning Resources	Cost Recoveries & Transfers	Other Expenses [2]	TOTAL EXPENSES
School Administration & All Instruction Support	$19,540,156	$2,783,250	$2,215,318		$0	$2,022,175	$26,560,899
Mild & Moderate Disabilities/Gifted & Talented (ECS-12)	$1,018,903	$653,881	$90,083		$0		$1,762,867
ECS Program Unit (PUF)	$0	$397,891	$214,069		$0		$611,960
Severe Disabilities (Gr 1-12)	$728,687	$2,239,632	$162,119		$0		$3,130,438
English as a Second Language	$0	$0	$0		$0		$0
French Language Program & Francisation (all jurisdictions)	$0	$0	$0		$0		$0
First Nations, Metis and Inuit Education (ECS - Gr 12)	$0	$0	$64,187		$0		$64,187
Home Education	$0	$0	$6,851		$0		$6,851
Institutional Programs	$159,781	$32,434	$11,323		$0		$203,538
Alberta Initiative for School Improvement	$448,767	$1,712	$143,840	$130,169	$0		$724,488
Student Health Initiative	$0	$0	$0		$0		$0
High Speed Networking			$0		$0		$0
Class Size	$737,640	$0	$3,207	$0	$0		$740,847
Children and Youth with Complex Needs (ECS - Gr 12)	$0	$0	$0		$0		$0
All Other Student Instruction Expenses (ECS - Gr 12)	$0	$0	$0	$335,921	$0	$0	$335,921
TOTAL EXPENSES	$22,633,934	$6,108,800	$2,910,997	$466,090	$0	$2,022,175	$34,141,996

FULL-TIME-EQUIVALENCIES (Board/Contract)	FTE Certificated	FTE Uncertificated
Mild & Moderate Disabilities/Gifted & Talented (ECS - Gr 12	24.5	42.3
ECS Program Unit (PUF)	0.0	28.1
Severe Disabilities (Gr 1-12)	16.7	142.5

Note 1 Excludes Learning Resources.

Note 2 Includes Net School Generated Funds, Amortization, Interest, and Losses on Disposal of Instruction Program Capital Assets.

School Jurisdiction Code: 1325

SCHEDULE D to the AFS
CALCULATION OF MAXIMUM ELIGIBLE EXPENSE LIMIT FOR BOARD (GOVERNANCE) AND SYSTEM ADMINISTRATION - 2004-2005

TOTAL EXPENSES	**$46,293,230**

STEP 1

Calculation of maximum expense limit PERCENTAGE for Board and System Administration expenses

If "Total Net Enrolled Students" are 6,000 and over	= 4%	**4.48%**
If "Total Net Enrolled Students" are 2,000 and less	= 6%	

The Maximum Expense Limit for Board and System Administration is based on an arithmetical proration for the TOTAL FTE count for grades 1 -12, net of Home Education AND Adult students, between 2,000 to 6,000 at .0005 per FTE.

EXAMPLE: 4,500 FTE count grades 1-12 = 6,000 - 4,500 = 1,500 X .0005 = .75% plus 4% = maximum expense limit of 4.75%.

Note: Calculation unnecessary if Total FTE is 6,000 or more, and 2,000 & less.

STEP 2

Calculate maximum expense limit AMOUNTS for Board and System Administration expenses

Maximum Expense Limit percentage (Step 1) x TOTAL EXPENSES		$2,073,937
Considerations for Charter Schools and Small School Boards:		
If **Charter School**, enter $56,100	$0	$0
If **School Board**, please enter your 04-05 Gr 1- 12 funded enrolment	0	
	$0	$0
MAXIMUM EXPENSE LIMIT		**$2,073,937**

STEP 3

Compare maximum expense limit amounts calculated in Step 2 to actual expenses (from Schedule A)

Actual Board Governance & System Administration expenses	$1,870,733
PLUS: transfers to Restricted - Operating (Board/System Administration)	$100,000
LESS: transfers from Restricted - Operating (Board/System Administration)	-$43,738
TOTAL BOARD GOVERNANCE & SYSTEM ADMINISTRATION EXPENSES	$1,926,995
MAXIMUM EXPENSE LIMIT	$2,073,937
ACTUAL EXPENSES - OVER(UNDER) MAXIMUM EXPENSE LIMIT	-$146,942

School Jurisdiction Code: 1325

SCHEDULE E to the AFS
SOURCE & APPLICATION OF SCHOOL GENERATED FUNDS (SGF) - 2004-2005

Unexpended SGF - Opening Balance August 31, 2004 (Note 1)				$811,273
Source of Net School Generated Funds:	**Gross SGF**	**Related Expenses**	**Net SGF**	
Fundraising activities	$1,503,807	$445,362	$1,058,445	
Student fees (Non-Instructional) (Note 2)	$147,432		$147,432	
Donations and grants to schools	$118,773		$118,773	
Other (describe)	$0	$0	$0	
Net Additions to SGF	$1,770,012	$445,362		$1,324,650
Net SGF Available for Discretionary Spending				$2,135,923
Application of Net School Generated Funds:				
Extra-curricular activities			$1,333,284	
School beautification			$0	
Field Trips			$0	
Equipment			$19,034	
Family literacy and other community resources			$0	
Other (describe)			$0	
Net SGF Expended for Discretionary Purposes (Note 3)				$1,352,318
Unexpended SGF - Closing Balance August 31, 2005 (Note 4)				$783,605

School Generated Funds (SGF) are funds raised in the community for student activities that come under the control and responsibility of school management. These funds are usually collected and retained at the school for expenditures paid at the school level. SGF does not include fees with respect to instructional supplies or materials collected pursuant to Section 60(2)(j) of the *School Act*, and any other funds collected at the school but remitted to central office and accounted for by the jurisdiction (facility rentals, capital assets purchases, etc.)

Note 1 Input "(Restated)" beside Balance at August 31, 2004 where not taken from the finalized 2003-2004 Audited Financial Statements

Note 2 Excludes fees collected pursuant to Section 60(2)(j) of the School Act (fees with respect to instructional supplies or materials - essentially textbooks, resource materials in lieu of textbooks, media, software, and materials for classrooms). Amounts collected for CEU-related activities are recorded as instruction resource fees, not SGF.

Note 3 Net SGF Expended for Discretionary Purposes is recorded as revenue and expense in the Statement of Revenues & Expenses.

Note 4 Unexpended SGF is carried forward to the Statement of Financial Position.

School Jurisdiction Code: 1325

SCHEDULE F to the AFS
Operations and Maintenance Program Expenses - 2004-2005

EXPENSES	Custodial	Maintenance	Utilities and Telecommunications	Expensed Mod./I.M.P. & Portable Relocations	Facility Planning & Operations Administration	SUB-TOTAL Operations & Maintenance	Supported Capital & Debt Services	TOTAL Operations and Maintenance
Uncertificated salaries and wages	$1,272,904	$449,584	$0	$7,410	$110,188	$1,840,086		$1,840,086
Uncertificated benefits	$277,088	$101,620	$0	$0	$22,639	$401,347		$401,347
Sub-total Remuneration	$1,549,992	$551,204	$0	$7,410	$132,827	$2,241,433		$2,241,433
Contracted Services	$12,025	$129,989	$0	$365,243	$0	$507,257		$507,257
Supplies	$88,792	$264,239	$0	$215,289	$0	$568,320		$568,320
Electricity			$635,101			$635,101		$635,101
Natural Gas/Heating Fuel			$467,138			$467,138		$467,138
Sewer and Water			$114,128			$114,128		$114,128
Telecommunications			$20,139			$20,139		$20,139
Insurance					$109,448	$109,448		$109,448
Amortization of capital assets								
Supported							$1,641,759	$1,641,759
Unsupported						$58,878		$58,878
Total Amortization						$58,878	$1,641,759	$1,700,637
Interest on capital debt								
Supported							$578,773	$578,773
Unsupported				$0		$0		$0
Other interest charges						$0		$0
Losses on disposal of capital assets						$0		$0
Cost recoveries & transfers						$0		$0
TOTAL EXPENSES	$1,650,809	$945,432	$1,236,506	$587,942	$242,275	$4,721,842	$2,220,532	$6,942,374
SQUARE METRES								
School Buildings								706,261.0
Non School Buildings								47,010.0
UNCERTIFICATED FTE'S (Board/Contract)	47.2	13.0						

Notes:

Custodial:	All expenses related to activities undertaken to keep the school environment clean and safe
Maintenance:	All expenses associated with the repair, replacement and minor construction of buildings, grounds and equipment components. This includes regular and preventative maintenance undertaken to ensure components reach or exceed their life cycle and the repair of broken components
Utilities & Telecommunications:	All expenses related to electricity, natural gas and other heating fuels, sewer and water and all forms of telecommunications
Expensed Block Mod/I.M.P. & Portable Relocations:	All expenses associated with non-capital activites related to Block Modernization, Infrastructure Maintenance Programs (AKA Building Quality Restoration Program) and portable relocations
Facility Planning & Operations Administration:	All expenses related to the administration of operations and maintenance including (but not limited to) contract administration, clerical functions, negotiations, supervision of employees and contractors, administration of capital projects (including new schools, I.M.P., block modernization and portable relocations), administration of joint-use agreements, and all expenses related to ensuring compliance with health and safety statndards, codes and government regulations
Supported Capital & Debt Services:	All expenses related to supported capital assets amortization and interest on supported capital debt

School Jurisdiction Code: 1325

SCHEDULE G to the AFS
DISCLOSURE OF SALARIES AND BENEFITS - 2004-2005
(SECTION 148.1 OF THE SCHOOL ACT)

		FTEs	Remuneration	Benefits	Allowances	Performance Bonuses	ERIP's / Other	Total	Expenses
Chairperson:									
Name	Mr H Pearson	0.0	$0	$0	$0			$0	$0
Name	Ms M Fosher	1.0	$14,977	$3,352	$0			$18,329	$7,863
Other Board Members:									
Name	Mr H Pearson	1.0	$12,092	$2,946	$0			$15,038	$8,044
Name	Ms V Jorgensen	1.0	$10,519	$3,174	$0			$13,693	$6,609
Name	Mr G Kujala	1.0	$13,675	$3,316	$0			$16,991	$7,967
Name	Ms D Oscar	1.0	$12,925	$3,221	$0			$16,146	$6,766
Name	Ms M J Hofman	1.0	$13,938	$363	$0			$14,301	$5,921
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Subtotal		*6.0*	*$78,126*	*$16,372*	*$0*			*$94,498*	*$43,170*
Superintendent	J. Greg Thomas	1.0	$122,360	$9,696	$0	$0	$0	$132,056	$16,084
Superintendent		0.0	$0	$0	$0	$0	$0	$0	$0
Secretary/Treasurer	Cody G. McClintock	1.0	$105,900	$18,473	$0	$0	$0	$124,373	$11,797
Secretary/Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Board Secretary		0.0	$0	$0	$0	$0	$0	$0	$0
Board Secretary		0.0	$0	$0	$0	$0	$0	$0	$0
Board Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Board Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Certificated Salaries		276.0	$20,704,475	$2,207,505	$0	$0	$0	$22,911,980	
Uncertificated Salaries & Wages		314.0	$8,337,994	$1,695,041	$0	$0	$0	$10,033,035	
TOTALS			**$29,348,855**	**$3,947,087**	**$0**	**$0**	**$0**	**$33,295,942**	

Note: Please refer to completion information on page 15

School Jurisdiction Code 0054

AUDITED
FINANCIAL STATEMENTS
and Supporting Schedules
FOR THE YEAR ENDED AUGUST 31, 2005

[School Act, Sections 147(2)(a), 148, 151(1) and 276]

WOLF CREEK SCHOOL DIVISION NO.72
Legal Name of School Jurisdiction

6000 Highway 2A, Ponoka, Alberta T4J 1P9
Mailing Address

Phone (403)783-3473 Fax (403)783-3483
Telephone and Fax Numbers

SCHOOL JURISDICTION MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The financial statements and supporting schedules WOLF CREEK SCHOOL DIVISION NO.72 (Name of School Jurisdiction) presented to Alberta Learning have been prepared by school jurisdiction management which has responsibility for their preparation, integrity and objectivity. The financial statements and schedules, including notes, have been prepared in accordance with generally accepted accounting principles and Ministerial requirements for Alberta school jurisdictions.

In fulfilling its reporting responsibilities, management has maintained internal control systems and procedures designed to provide reasonable assurance that the school jurisdiction's assets are safeguarded, that transactions are executed in accordance with appropriate authorization and that accounting records may be relied upon to properly reflect the school jurisdiction's transactions. The effectiveness of the control systems is supported by the selection and training of qualified personnel, an organizational structure that provides an appropriate division of responsibility and a strong budgetary system of control.

Board of Trustees Responsibility
The ultimate responsibility for the financial statements lies with the Board of Trustees. The Board reviewed the financial statements with management in detail and the Board approved the financial statements for release.

External Auditors
The Board appoints external auditors to audit the financial statements and meets with the auditors to review their findings. The external auditors have full and free access to school jurisdiction records.

Declaration of Management and Board Chairman
To the best of our knowledge and belief, these financial statements and supporting schedules reflect, in all material respects, the financial position and results of operations and cash flows for the year in accordance with generally accepted accounting principles and Ministerial requirements for Alberta school jurisdictions.

BOARD CHAIRMAN	
Kelly Lowry	"ORIGINAL SIGNED"
Name	Signature

SUPERINTENDENT	
Dr. Larry Jacobs	"ORIGINAL SIGNED"
Name	Signature

SECRETARY TREASURER OR TREASURER	
Joseph Henderson CGA	"ORIGINAL SIGNED"
Name	Signature

29-Nov-05
Board-approved Release Date

c.c. **ALBERTA EDUCATION, School Reporting Branch,**
8th Floor Commerce Place, 10155-102 Street, Edmonton AB T5J 4L5
EMAIL: Cindy.Jarry@gov.ab.ca
PHONE: (780) 427-7782 FAX: (780) 422-6996

AUDITORS' REPORT

To the Board of Trustees of
Wolf Creek School Division No. 72

We have audited the statement of financial position of the Wolf Creek School Division No. 72 as at August 31, 2005 and the statements of revenues and expenses, cash flows, changes in net assets and capital allocations for the year then ended. These financial statements are the responsibility of the school jurisdiction's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance as to whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the school jurisdiction as at August 31, 2005 and the result of its operations, changes in cash flows, net assets and capital allocations for the year then ended in accordance with Canadian generally accepted accounting principles.

Our audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplementary information included in Schedules A through G is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such supplementary information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

Rowland, Parker & Associates

Signed ______________________
Chartered Accountants

Ponoka, Alberta
November 25, 2005

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School Jurisdiction Code: 0054

STATEMENT OF FINANCIAL POSITION

as at August 31, 2005

(in dollars)

			2005	2004 Restated
ASSETS				
Current assets				
Cash and temporary investments			$15,848,314	$17,613,782
Accounts receivable (net after allowances)			$2,243,875	$2,309,538
Prepaid expenses			$301,534	$431,620
Other current assets			$6,509	$6,509
Total current assets			$18,400,232	$20,361,449
School generated assets			$720,994	$784,339
Trust assets			$1,263,021	$978,478
Long term accounts receivable			$0	$0
Long term investments			$0	$0
Capital assets				
Land			$663,906	$652,701
Buildings		$64,638,464		
Less: accumulated amortization		($28,829,693)	$35,808,771	$35,981,082
Equipment		$1,665,871		
Less: accumulated amortization		($1,300,609)	$365,262	$530,031
Vehicles		$8,623,402		
Less: accumulated amortization		($4,612,498)	$4,010,904	$3,913,555
Total capital assets			$40,848,843	$41,077,369
TOTAL ASSETS			$61,233,090	$63,201,635
LIABILITIES				
Current liabilities				
Bank indebtedness			$0	$0
Accounts payable and accrued liabilities			$3,076,646	$2,481,608
Deferred revenue			$747,293	$1,102,647
Deferred capital allocations			$9,789,031	$9,730,887
Current portion of all long term debt			$400,095	$412,413
Total current liabilities			$14,013,065	$13,727,555
School generated liabilities			$720,994	$784,339
Trust liabilities			$1,263,021	$978,478
Employee future benefits liability			$0	$0
Long term payables and accrued liabilities			$0	$0
Long term debt				
Supported:	Debentures and other supported debt		$3,632,763	$4,045,176
	Less: Current portion of supported debt		($400,095)	($412,413)
Unsupported:	Debentures and Capital Loans		$0	$0
	Capital Leases		$0	$0
	Mortgages		$0	$0
	Less: Current portion of unsupported debt		$0	$0
Unamortized capital allocations			$29,513,597	$30,409,625
Total long term liabilities			$34,730,280	$35,805,205
TOTAL LIABILITIES			$48,743,345	$49,532,760
NET ASSETS				
Unrestricted net assets			$798,718	$1,030,237
Operating Reserves			$3,675,886	$4,264,929
Accumulated Operating Surplus (Deficit)			$4,474,604	$5,295,166
Investment in capital assets			$7,702,481	$6,622,566
Capital Reserves			$312,660	$1,751,143
Total Capital Funds			$8,015,141	$8,373,709
Total net assets			$12,489,745	$13,668,875
TOTAL LIABILITIES AND NET ASSETS			$61,233,090	$63,201,635

Note: Input "(Restated)" in 2004 column heading where comparatives are not taken from the finalized 2003-2004 Audited Financial Statements

School Jurisdiction Code: 0054

STATEMENT OF REVENUES AND EXPENSES

for the Year Ended August 31, 2005

(in dollars)

	Actual 2005	Budget 2005	Actual 2004
REVENUES			
Government of Alberta	$57,209,028	$55,581,217	$55,014,947
Federal Government and/or First Nations	$1,889,660	$1,699,004	$1,713,965
Other Alberta school authorities	$26,491	$4,045	$3,942
Out of province authorities	$0	$0	$0
Alberta Municipalities (excluding supplementary requisitions)	$218,569	$280,999	$275,476
Instruction resource fees	$784,946	$686,925	$766,224
Transportation fees	$110,882	$104,800	$127,112
Other sales and services	$560,976	$436,280	$622,550
Investment income	$219,953	$230,000	$421,914
Gifts and donations	$51,878	$5,100	$23,508
Rentals of facilities	$15,146	$6,777	$15,593
Net school generated funds	$1,264,013	$120,000	$169,689
Gains on disposal of capital assets	$0	$2,000	$111,879
Amortization of capital allocations	$1,633,100	$1,626,670	$1,488,745
Total Revenues	$63,984,642	$60,783,817	$60,755,544
EXPENSES			
Certificated salaries	$31,320,039	$30,273,618	$31,041,871
Certificated benefits	$3,278,808	$3,482,817	$3,325,714
Uncertificated salaries and wages	$11,934,666	$11,758,525	$11,318,616
Uncertificated benefits	$2,616,204	$2,409,267	$2,415,539
Services, contracts and supplies	$11,861,398	$12,138,543	$11,854,636
Net school generated funds	$1,264,013	$120,000	$169,689
Capital and debt services			
Amortization of capital assets			
Supported	$1,623,706	$1,626,669	$1,488,745
Unsupported	$748,018	$773,362	$743,959
Total Amortization of capital assets	$2,371,724	$2,400,031	$2,232,704
Interest on capital debt			
Supported	$386,829	$421,530	$432,986
Unsupported	$0	$0	$0
Total Interest on capital debt	$386,829	$421,530	$432,986
Other interest charges	$113	$100	$750
Losses on disposal of capital assets	$129,978	$0	$0
Total Expenses	$65,163,772	$63,004,431	$62,792,505
SURPLUS (DEFICIT) OF REVENUES OVER EXPENSES BEFORE EXTRAORDINARY ITEM	($1,179,130)	($2,220,614)	($2,036,961)
Extraordinary Item	$0	$0	$0
SURPLUS (DEFICIT) OF REVENUES OVER EXPENSES	($1,179,130)	($2,220,614)	($2,036,961)

Note: Input "(Restated)" in Budget 2005 and/or Actuals 2004 column headings where comparatives are not taken from the respective finalized 2004-2005 Budget Report and/or finalized 2003-2004 Audited Financial Statements.

School Jurisdiction Code: 0054

STATEMENT OF CASH FLOWS

for the Year Ended August 31, 2005

(in dollars)

	2005	2004 Restated
CASH FLOWS FROM:		
A. OPERATIONS		
Surplus (deficit) of revenues over expenses for the year	($1,179,130)	($2,036,961)
Add (Deduct) items not requiring cash		
Amortization of capital allocations revenue	($1,633,100)	($1,488,745)
Total amortization expense	$2,371,724	$2,232,704
Gains on disposal of capital assets	$0	($111,879)
Losses on sale of capital assets	$129,978	$0
Changes in accrued accounts:		
Accounts receivable	$65,663	($593,281)
Prepaids and other current assets	$130,086	$6,975
Long term accounts receivable	$0	$0
Long term investments	$0	$0
Payables and accrued liabilities	$595,038	($1,483,176)
Deferred revenue	($355,354)	($216,492)
Employee future benefit expense (recovery)	$0	$0
Other (describe)	$0	$0
Total sources (uses) of cash from Operations	$124,905	($3,690,855)
B. INVESTING ACTIVITIES		
Purchases of capital assets		
Land	($11,204)	($145,084)
Buildings	($1,462,947)	($8,690,080)
Equipment	($75,603)	($97,799)
Vehicles	($719,191)	($829,657)
Net proceeds from disposal of capital assets	($4,231)	$145,785
Other (describe)	$0	$0
Total sources (uses) of cash from Investing activities	($2,273,176)	($9,616,835)
C. FINANCING ACTIVITIES		
Capital allocations	$382,803	$730,035
Issue of long term debt	$0	$0
Repayment of long term debt	($412,413)	($495,343)
Add back: supported portion	$412,413	$495,343
Other (describe)	$0	
Total sources (uses) of cash from Financing activities	$382,803	$730,035
Net sources (uses) of cash during year	($1,765,468)	($12,577,655)
Cash and temporary investments, net of bank indebtedness, at Aug. 31/04	$17,613,782	$30,191,437
Cash and temporary investments, net of bank indebtedness, at Aug. 31/05	$15,848,314	$17,613,782

Note: 1 Input "(Restated)" in 2004 column heading where not taken from the finalized 2003-2004 Audited Financial Statements.
2 Cash and temporary investments are net of cash obligations.

STATEMENT OF CHANGES IN NET ASSETS
for the Year Ended August 31, 2005
(in dollars)

School Jurisdiction 0054

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
	TOTAL NET ASSETS Cols. 2+3+4	INVESTMENT IN CAPITAL ASSETS	UNRESTRICTED NET ASSETS	TOTAL INTERNALLY RESTRICTED NET ASSETS Cols. 5 to 14	INTERNALLY RESTRICTED NET ASSETS									
					School Based		Infrastructure		Board & System Admin.		Transportation		External Services	
					Operating Reserves	Capital Reserves	O& M Operating Reserves	Capital Reserves	Operating Reserves	Capital Reserves	Operating Reserves	Capital Reserves	Operating Reserves	Capital Reserves
Balance at August 31, 2004	$13,668,875	$6,622,566	$1,030,237	$6,016,072	$2,486,660	$0	$1,242,261	$888	$381,702	$1,264,382	$154,306	$485,873	$0	$0
Prior period adjustments (describe)														
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Adjusted Balance,Aug.31, 2004	$13,668,875	$6,622,566	$1,030,237	$6,016,072	$2,486,660	$0	$1,242,261	$888	$381,702	$1,264,382	$154,306	$485,873	$0	$0
Surplus(def) of revenue over expenses	($1,179,130)		($1,179,130)											
Board funded capital transactions		$1,944,287	$0	($1,944,287)	($85,092)	$0	($85,027)	$0	($12,427)	($1,138,289)	($313,198)	($310,254)	$0	$0
Direct credits to net assets	$0	$0												
Amortization of capital assets		($2,371,724)	$2,371,724											
Amortization of capital allocations		$1,633,100	($1,633,100)											
Disposal of unsupported capital assets	$0	($125,748)	$115,688	$10,060		$1,750		$0		$0		$8,310		$0
Disposal of supported capital assets (board funded portion)	$0			$0		$0		$0		$0		$0		$0
Debt principal payments (unsupported)		$0	$0											
Net transfers to operating reserves			($1,152,696)	$1,152,696	$395,256		$99,825		$37,119		$620,496		$0	
Net transfers from operating reserves			$1,245,995	($1,245,995)	($811,261)		$0		($116,171)		($318,563)		$0	
Net transfers to capital reserves			$0	$0		$0		$0		$0		$0		$0
Net transfers from capital reserves			$0	$0		$0		$0		$0		$0		$0
Balance at August 31, 2005	$12,489,745	$7,702,481	$798,718	$3,988,546	$1,985,563	$1,750	$1,257,059	$888	$290,223	$126,093	$143,041	$183,929	$0	$0

School Jurisdiction Code: 0054

STATEMENT OF CAPITAL ALLOCATIONS
(SUPPORTED CAPITAL FINANCING ONLY)
for the Year Ended August 31, 2005

(in dollars)

	Deferred Capital Allocations	Unamortized Capital Allocations
Balance at August 31, 20	$9,730,887	$30,409,625
Prior period adjustment	$0	$0
Adjusted balance, August 31, 2004	$9,730,887	$30,409,625
Add:		
Capital allocations from: Infrastructure and Transportation-New/Modernization Projects	$102,401	
Other Government of Alberta	$0	
Federal Government and/or First Nations	$0	
Other sources	$0	
Interest earned on provincial government capital allocations	$280,402	
Other capital grants and donations	$0	
Proceeds on disposal of supported capital assets	$0	
Insurance proceeds	$0	
Donated capital assets (amortizable, at Fair Market Value)		$0
Transferred in capital assets (amortizable, at Net Book Value)		$0
Current Year Debenture Principal Repayment		$412,413
Expended capital allocations - current year	($324,659)	$324,659
Less:		
Unamortized Capital Allocation affected by a disposal through transfer out		$0
Capital allocations amortized to revenue		$1,633,100
Balance at August 31, 2005	$9,789,031	$29,513,597

WOLF CREEK SCHOOL DIVISION #72

Notes to Financial Statements
August 31, 2005

1. Authority and Purpose

The School Jurisdiction delivers education programs under the authority of the School Act, Revised Statutes of Alberta 2000, Chapter S-3.

The jurisdiction receives instruction and support allocations under Regulation 77/2003. The regulation allows for the setting of conditions and use of grant monies. The School Jurisdiction is limited on certain funding allocations and administration expenses.

2. Summary of Significant Accounting Policies

These financial statements have been prepared in accordance with Canadian generally accepted accounting principles (GAAP). The precise determination of many assets and liabilities is dependent on future events. As a result, the preparation of financial statements for a period involves the use of estimates and approximations, which have been made using careful judgement. Actual results could differ from those estimates and approximations. The financial statements have, in management's opinion, been properly prepared within reasonable limits of materiality and within the framework of accounting policies summarized below:

a. Revenue Recognition

Revenue is recognized as follows:

Instruction and support allocations are recognized in the year to which they relate.

Fees for services related to courses and programs are recognized as revenue when such courses and programs are delivered.

Unrestricted contributions are recognized as revenue when received or receivable. Contributions in- kind are recorded at fair market value when reasonably determinable.

Externally restricted contributions are deferred and recognized as revenue in the period in which the restriction is complied with. Endowment contributions are recognized as direct increases in net assets in the period in which they are received or receivable.

b. Capital Assets

Capital assets are recorded at cost, and are amortized over their estimated useful lives on a straight line basis at the following rates:

Buildings	2.5% to 4%
Equipment and Furnishings	10% and 20%
Vehicles and buses	10% and 20%

Capital assets with costs in excess of $5,000 are capitalized. Capital allocations received for asset additions are amortized into revenue over the same period as the amortization expense.

WOLF CREEK SCHOOL DIVISION #72

Notes to Financial Statements
August 31, 2005

Summary of Significant Accounting Policies (continued...)

c. Inventories

Inventories are recorded at the lower of cost and net realizable value.

d. School Generated Funds

These are funds which come under the control and responsibility of the school principal for school activities. They are usually collected, retained, and expended at the school level (e.g. Yearbook sales, graduation fees, field trip fees, etc.)

e. Vacation Pay

Vacation pay is accrued in the period in which the employee earns the benefit.

f. Contributed Services

Volunteers contribute a considerable number of hours per year to various schools to ensure that certain programs are delivered, such as kindergarten, lunch services, and the raising of school generated funds. Because of the difficulty of compiling these hours and the fact that these services are not otherwise purchased, contributed services are not recognized in the financial statements.

g. Pensions

Pension costs included in these statements comprise the cost of employer contributions for current service of employees during the year.

The current service and past service costs of the Alberta Teacher Retirement Fund are met by contributions by active members and the Government of Alberta. Under the terms of the Teachers Pension Plan Act, the Wolf Creek School Division does not make pension contributions for certificated staff.

The school board participates in the multi-employer pension plan, Local Authorities Pension Plan, and does not report on any unfunded liabilities. The expense for this pension plan is equivalent to the annual contributions of $ 646,320 for the year ended August 31, 2005. At December 31, 2004, the Local Authorities Pension Plan reported an actuarial deficiency of $1,288,924,000 (2003 deficiency of $1,453,487,000).

WOLF CREEK SCHOOL DIVISION #72

Notes to Financial Statements
August 31, 2005

h. Prepaid Expenses

Certain expenditures incurred before the close of the school year are for school supplies, which will be consumed subsequent to the year-end, and are accordingly recorded as prepaid expenses. Certain insurance expenses also fall into this category.

i. Financial Instruments

These consist of cash, accounts receivable, accounts payable, accrued liabilities, and long-term debt. It is management's opinion that the jurisdiction is not exposed to significant interest, currency or credit risks arising from these financial instruments. Unless otherwise noted, the fair values of these financial instruments approximate their carrying values. The jurisdiction has invested surplus funds in accordance with Section 60 of the School Act and Section 5 of the Trustees Act.

j. Operating and Capital Reserves

Reserves are established at the discretion of the Board of Trustees of the jurisdiction, to set aside funds for operating and capital purposes. Such reserves are appropriations of unrestricted net assets.

k. Employee Future Benefits

The jurisdiction accounted for the future cost of employee benefits commencing in the 2000/2001 school year using the retroactive approach. As a result of the adoption of this accounting policy, there was no financial impact on the jurisdiction.

l. Investments

Short term Investments are valued at the lower of cost and market value. Long term Investments are valued at cost or, where there has been other than a temporary impairment in the value of the investment, at market value.

WOLF CREEK SCHOOL DIVISION #72

Notes to Financial Statements
August 31, 2005

3. Restricted Cash

Included in cash balances is unexpended capital funding grant receipts of $9,789,031 (2004 $9,730,887) and capital reserve funding in the amount of $312,660 (2004 $1,751,143). These funds are not available to fund current operations, as they must be expended on capital projects.

4. Accounts Receivable

	2005	2004
Alberta Learning	219,353	236,680
Alberta Infrastructure	1,093,475	1,020,889
Alberta Finance	160,116	180,868
Other Province of Alberta	8,800	9,800
Federal Government	329,597	179,947
First Nations	352,537	343,905
Alberta Municipalities	0	190,000
Other	79,997	147,449
	2,243,875	2,309,538

5. Internally Restricted Net Assets

Net assets may be restricted by authorization of the Board of Trustees for future capital expenditures and future operating expenditures. The amounts are established and expended in accordance with terms and conditions established by the board.

Operating Reserves	2004	Appropriated	Used	2005
School	2,486,660	395,256	(896,353)	1,985,562
Operations and maintenance	1,242,261	99,825	(85,027)	1,257,059
Board & system administration	381,702	37,119	(128,598)	290,223
Transportation	154,306	620,496	(631,763)	143,039
	4,264,929	1,152,696	(1,741,741)	3,675,883

Capital Reserves (Building, Vehicle and Equipment)	2004	Appropriated	Used	2005
School	0	1,750	0	1,750
Board and System Administration	1,264,383	0	(1,138,289)	126,093
Transportation	485,873	8,310	(310,254)	183,929
Alberta Infrastructure	888	0	0	888
	1,751,144	10,060	(1,448,543)	312,660

WOLF CREEK SCHOOL DIVISION #72

Notes to Financial Statements
August 31, 2005

6. Capital Assets

Asset	Cost	Accumulated Amortization	Net Book Value 2005	Net Book Value 2004
Land	663,906	-	663,906	652,701
Buildings	64,638,464	28,829,693	35,808,771	35,981,082
Vehicles	8,,623,402	4,612,498	4,010,904	3,913,555
Equipment	1,665,871	1,300,609	365,262	530,031
Total	67,591,651	34,742,800	40,848,843	41,077,369

7. Accounts Payable and Liabilities

		2005	2004
Alberta Learning	$	98,793	34,565
Alberta Infrastructure		0	0
Alberta Finance		167,403	180,868
Other Province of Alberta		0	21,122
Federal Government		6,894	6,771
Alberta Municipalities		46,260	28,775
Other Alberta School Jurisdictions		123,432	61,768
Other Trade payables and accrued liabilities		2,633,864	2,147,739
Total	$	3,076,646	2,481,608

8. Deferred Revenue

		2005	2004
Infrastructure Maintenance Program	$	455,314	688,619
One time operations and maintenance support		0	206,791
One time grant funding		22,060	22,060
Alberta Learning Aboriginal Grant		1,445	50,000
Other		268,474	135,177
Total	$	747,293	1,102,647

WOLF CREEK SCHOOL DIVISION #72

Notes to Financial Statements
August 31, 2005

9. Trust Assets and Liabilities

		2005	2004
Deferred Salary Leave Plan	$	44,431	0
Scholarship trusts		285,932	279,798
Student health initiative trust (banker board)		932,658	698,680
Total	$	1,263,021	978,478

10. Long Term Debt

1. Debenture Debt - Supported

The debenture debt bears interest at rates varying between 6% and 12%. The debenture debt is fully supported by Alberta Finance. Debenture principal payments due over the next five years and beyond are as follows:

	Principal	Interest		Total
2005-2006	400,095	365,208		765,303
2006-2007	353,295	324,035		677,330
2007 to 2008	353,295	288,010		641,305
2008 to 2009	332,595	251,985		584,580
2009 to 2010	329,945	218,264		548,209
2010 to maturity	1,863,538	850,000	(Estimated)	1,864,388
Total	3,632,763	2,297,502		5,081,115

WOLF CREEK SCHOOL DIVISION #72

Notes to Financial Statements
August 31, 2005

11. Deferred Capital Allocations

Deferred capital allocations represent externally restricted supported capital funds provided for a specific capital purpose received or are receivable by the jurisdiction, but the related expenditure has not been made at year-end. These unspent deferred capital allocations are not amortized until the expenditure has been made and it is at that time that the balance is transferred to the unamortized capital allocations account.

12. Unamortized Capital Allocations

Unamortized capital allocations represent externally restricted supported capital funds that have been expended, but have yet to be amortized over the useful life of the related capital asset. The unamortized capital allocations account balance is increased by transfers of deferred capital allocations expended and fully supported debenture principal repayments.

13. Contingencies

i) The jurisdiction is a member of a reciprocal insurance exchange called ALAIRE. A portion of the premiums paid each year represents equity contributions to the insurance fund. These payments have been recorded as expenditures in the financial statements, as the value of equity is subject to liability claims and is not an asset that the jurisdiction can liquidate.

ii) A former employee alleging wrongful dismissal and a grievance alleging wrongful termination of benefit premiums has named the jurisdiction as a defendant in a lawsuit. Legal council reports that the likelihood of the claim succeeding is minimal, in their opinion.

iii) Two possible statements of claim have been filed against the jurisdiction. Legal council advises that both of these possible claims are fully insured.

14 Commitments and Contractual Obligations

A. Leases:

The school jurisdiction has entered into various operating leases for certain equipment and real estate. Annual rentals payable under long-term lease agreements are as follows for the year ending in:

2005/2006	$	153,561
2006/2007		153,561
2007/2008		153,561
2008/2009		153,561
2009/2010		153,561
2010/2011		153,561
	$	921,366

B. Contractual Obligations:

(a) The school division has entered into contracts with various companies to provide janitorial and building climate control services. The annual cost of the contracts over their remaining terms is as follows:

Fiscal Year		Amount of Obligation
2005/2006	$	674,194
2006/2007		360,200
2007/2008		368,060
2008/2009		355,710
2009/2010		362,830

(b) The school division has also entered into contracts with various contractors to provide busing services for students. The annual cost of the busing contracts over the remaining terms of the contracts is as follows:

2005/2006	$	559,998
2006/2007		573,998

15. Economic Dependence on Related Party

The Wolf Creek School Division's primary source of income is derived from the Alberta Government. The Division's ability to continue viable operations is dependent on this funding.

16. Budget Amounts

The School jurisdiction management prepared the budget with approval granted by the Board of Trustees. It is presented for information purposes only and has not been audited.

17. Subsequent Event

Subsequent to year-end, the Wolf Creek School Division completed negotiations with the Alberta Teachers Association for the purpose of negotiating contract terms effective September 1, 2004 to August 31, 2007. The terms of the new agreement require wages incremental wage rates as follows:

September 1, 2004	2.25%
March 1, 2005	0.30%
September 1, 2005	2.00%
March 1, 2006	1.00%
September 1, 2006	2.00%
March 1, 2007	1.00%

SCHEDULE A to the AFS

School Jurisdiction Cod 0054

ALLOCATION OF REVENUES AND EXPENSES TO PROGRAMS - 2004-2005

REVENUES	TOTAL	ECS to Grade 12 Instruction	Operations and Maintenance of Schools & Maintenance Shops	Transportation	Board & System Admin.	External Services
(1) **Alberta Education Revenues**	$50,239,677	$43,922,123	$0	$4,197,583	$2,039,638	$80,533
Alberta Infrastructure and Transportation						
(2) Infrastructure Maintenance Program & Portable Relocations support	$953,530	$0	$953,530			
(3) Regular Operations & Maintenance support	$5,324,820		$5,324,820			
(4) Other support	$0	$0	$0			
(5) **Total Alberta Infrastructure and Transportation Revenues**	$6,278,350	$0	$6,278,350			
(6) **Alberta Finance**	$386,829		$386,829			$0
(7) **Other - Government of Alberta**	$303,972	$295,172	$8,800	$0	$0	$0
(8) **Federal Government and/or First Nations**	$1,889,660	$1,679,766	$208,945	$0	$949	$0
(9) **Other Alberta school authorities**	$26,491	$26,491	$0	$0	$0	$0
(10) **Out of province authorities**	$0	$0	$0	$0	$0	$0
(11) **Alberta municipalities** (excl. supplementary requisitions)	$218,569	$218,569	$0	$0	$0	$0
(12) **Instruction resource fees**	$784,946	$784,946				
(13) **Transportation fees**	$110,882			$110,882		
(14) **Other sales and services**	$560,976	$522,747	$17,461	$2,078	$18,690	$0
(15) **Investment income**	$219,953	$191,287	$28,249	$0	$417	$0
(16) **Gifts and donations**	$51,878	$51,878	$0	$0		$0
(17) **Rentals of facilities**	$15,146	$13,909	$1,237	$0	$0	$0
(18) **Net school generated funds**	$1,264,013	$1,264,013			$0	
(19) **Gains on disposal of capital assets**	$0	$0	$0	$0	$0	$0
(20) **Amortization of capital allocations**	$1,633,100	$33,219	$1,599,881	$0		$0
(21) **TOTAL REVENUES**	$63,984,642	$49,004,120	$8,529,752	$4,310,543	$2,059,694	$80,533
EXPENSES						
(22) **Certificated salaries**	$31,320,039	$30,845,259			$474,780	$0
(23) **Certificated benefits**	$3,278,808	$3,242,046			$36,762	$0
(24) **Uncertificated salaries and wages**	$11,934,666	$7,739,978	$1,475,119	$1,951,941	$704,359	$63,269
(25) **Uncertificated benefits**	$2,616,204	$1,824,110	$328,025	$306,985	$153,199	$3,885
(26) **SUB - TOTAL**	$49,149,717	$43,651,393	$1,803,144	$2,258,926	$1,369,100	$67,154
(27) **Services, contracts & supplies**	$11,861,398	$4,518,427	$4,733,326	$1,826,732	$769,534	$13,379
(28) **Cost recoveries & charges to programs**	$0	$170,300	($93,252)	($77,048)	$0	$0
(29) **Net school generated funds**	$1,264,013	$1,264,013				
Capital and debt services						
Amortization of capital assets						
(30) Supported	$1,623,706	$23,825	$1,599,881	$0	$0	$0
(31) Unsupported	$748,018	$84,995	$37,228	$601,638	$24,157	$0
(32) Total Amortization	$2,371,724	$108,820	$1,637,109	$601,638	$24,157	$0
Interest on capital debt						
(33) Supported	$386,829	$0	$386,829	$0	$0	$0
(34) Unsupported	$0	$0	$0	$0	$0	$0
(35) Other interest charges	$113	$0	$0	$0	$113	$0
(36) Losses on disposal of capital assets	$129,978	$92,178	$14,290	$10,548	$12,962	$0
(37) **TOTAL EXPENSES**	$65,163,772	$49,805,131	$8,481,446	$4,620,796	$2,175,866	$80,533
(38) **SURPLUS (DEFICIT) BEFORE EXTRAORDINARY ITEM**	($1,179,130)	($801,011)	$48,306	($310,253)	($116,172)	$0

School Jurisdiction Code: 0054

SCHEDULE B to the AFS

ALBERTA EDUCATION REVENUES 2004-2005

	TOTAL
Base Funding	
Early Childhood Services (ECS)	$2,254,740
Base Instruction (Gr 1-12)	$37,934,457
Outreach Programs	$156,060
Home Education	$44,292
Differential Cost Funding *	$7,118,697
Other Provincial Support	
Institutional Programs	$290,522
Regional Consortium (6 boards) and Regional Educational Consulting Services (4 boards)	$0
Learning Resources Credit	$53,005
Federal French Funding	$32,335
Provincial Priority Targeted Funding	
Class Size Initiative	$1,108,304
Student Health Initiative (SHI)	$246,669
Alberta Initiative for School Improvement (AISI)	$873,724
High Speed Networking	$78,517
Children and Youth with Complex Needs	
Other Alberta Education Revenues (describe) Provincial Native Pilot Project	$48,555
Total Alberta Education Revenues	$50,239,877

* Differential Cost Funding is based on distribution formulas designed to address variable cost factors and incremental costs associated with other variables and specific student populations. Included in differential cost funding are allocations for students with severe disabilities, English as a second language students, Francisation and support services for immigrant students, aboriginal students, gifted & talented early childhood services children and those with mild or moderate or severe disabilities, the percentage of the student population experiencing low socio-economic status, small schools by necessity, intra-jurisdiction distances, year to year enrolment fluctuations, small school board administration, schools located in the north, boarding, transportation, stabilization of funding, and cost differences among school jurisdictions for purchasing goods and services.

School Jurisdiction Code: 0054

SCHEDULE C the AFS

ECS to Grade 12 INSTRUCTION PROGRAMS Expense Details - 2004-2005

SUB-PROGRAMS & INITIATIVES	ECS to GRADE 12 Instruction						
	Certificated Remuneration	Uncertificated Remuneration	Services, Contracts & Supplies [1]	Learning Resources	Cost Recoveries & Transfers	Other Expenses [2]	TOTAL EXPENSES
School Administration & All Instruction Support	$3,017,268	$3,012,402	$1,029,679		$0	$0	$7,059,349
Mild & Moderate Disabilities/Gifted & Talented (ECS-12)	$2,352,282	$649,344	$24,465		$0		$3,026,091
ECS Program Unit (PUF)	$82,772	$597,591	$211,712		$0		$892,075
Severe Disabilities (Gr 1-12)	$1,818,685	$2,982,303	$142,125		$0		$4,943,113
English as a Second Language	$56,192	$54,826	$1,691		$0		$112,709
French Language Program & Francisation (all jurisdictions)	$0	$33,334	$13,799		$0		$47,133
First Nations, Metis and Inuit Education (ECS - Gr 12)	$0	$97,209	$0		$0		$97,209
Home Education	$80,985	$9,255	$40,904		$0		$131,144
Institutional Programs	$261,031	$154,364	$25,468		$0		$440,863
Alberta Initiative for School Improvement	$626,050	$56,136	$191,537	$0	$0		$873,723
Student Health Initiative	$0	$166,136	$0		$0		$166,136
High Speed Networking			$78,518		$0		$78,518
Class Size	$1,082,095	$0	$0	$0	$0		$1,082,095
Children and Youth with Complex Needs (ECS - Gr 12)	$0	$0	$0		$0		$0
All Other Student Instruction Expenses (ECS - Gr 12)	$24,709,945	$1,751,188	$2,705,524	$53,005	$170,300	$1,465,011	$30,854,973
TOTAL EXPENSES	$34,087,305	$9,564,088	$4,465,422	$53,005	$170,300	$1,465,011	$49,805,131

FULL-TIME-EQUIVALENCIES (Board/Contract)	FTE Certificated	FTE Uncertificated
Mild & Moderate Disabilities/Gifted & Talented (ECS - Gr 12	31.4	19.9
ECS Program Unit (PUF)	1.0	18.3
Severe Disabilities (Gr 1-12)	24.3	91.4

Note 1 Excludes Learning Resources

Note 2 Includes Net School Generated Funds, Amortization, Interest, and Losses on Disposal of Instruction Program Capital Assets

School Jurisdiction Code: 0054

SCHEDULE D to the AFS

CALCULATION OF MAXIMUM ELIGIBLE EXPENSE LIMIT FOR BOARD (GOVERNANCE) AND SYSTEM ADMINISTRATION - 2004-2005

TOTAL EXPENSES	$65,163,772

STEP 1

Calculation of maximum expense limit PERCENTAGE for Board and System Administration expenses

If "Total Net Enrolled Students" are 6,000 and over	= 4%	4.00%
If "Total Net Enrolled Students" are 2,000 and less	= 6%	

The Maximum Expense Limit for Board and System Administration is based on an arithmetical proration for the TOTAL FTE count for grades 1 -12, net of Home Education AND Adult students, between 2,000 to 6,000 at .0005 per FTE

EXAMPLE: 4,500 FTE count grades 1-12 = 6,000 - 4,500 = 1,500 X .0005 = .75% plus 4% = maximum expense limit of 4.75%

Note: Calculation unnecessary if Total FTE is 6,000 or more, and 2,000 & less

STEP 2

Calculate maximum expense limit AMOUNTS for Board and System Administration expenses

Maximum Expense Limit percentage (Step 1) x TOTAL EXPENSES		$2,606,551
Considerations for Charter Schools and Small School Boards:		
If **Charter School**, enter $56,100	$0	$0
If **School Board**, please enter your 04-05 Gr 1- 12 funded enrolment	0	
	$0	$0
MAXIMUM EXPENSE LIMIT		$2,606,551

STEP 3

Compare maximum expense limit amounts calculated in Step 2 to actual expenses (from Schedule A)

Actual Board Governance & System Administration expenses	$2,175,866
PLUS: transfers to Restricted - Operating (Board/System Administration)	$37,119
LESS: transfers from Restricted - Operating (Board/System Administration)	-$116,171
TOTAL BOARD GOVERNANCE & SYSTEM ADMINISTRATION EXPENSES	$2,096,814
MAXIMUM EXPENSE LIMIT	$2,606,551
ACTUAL EXPENSES - OVER(UNDER) MAXIMUM EXPENSE LIMIT	-$509,737

School Jurisdiction Code: 0054

SCHEDULE E to the AFS
SOURCE & APPLICATION OF SCHOOL GENERATED FUNDS (SGF) - 2004-2005

Unexpended SGF - Opening Balance August 31, 2004 (Note 1)				$784,339
Source of Net School Generated Funds:	**Gross SGF**	**Related Expenses**	**Net SGF**	
Fundraising activities	$717,295	$338,804	$378,491	
Student fees (Non-Instructional) (Note 2)	$554,867		$554,867	
Donations and grants to schools	$119,849		$119,849	
Other (describe)	$219,502	$72,042	$147,460	
Net Additions to SGF	$1,611,513	$410,846		$1,200,667
Net SGF Available for Discretionary Spending				$1,985,006
Application of Net School Generated Funds:				
Extra-curricular activities			$831,179	
School beautification			$3,351	
Field Trips			$175,854	
Equipment			$82,977	
Family literacy and other community resources			$57,334	
Other (describe)			$113,317	
Net SGF Expended for Discretionary Purposes (Note 3)				$1,264,012
Unexpended SGF - Closing Balance August 31, 2005 (Note 4)				$720,994

School Generated Funds (SGF) are funds raised in the community for student activities that come under the control and responsibility of school management. These funds are usually collected and retained at the school for expenditures paid at the school level. SGF does not include fees with respect to instructional supplies or materials collected pursuant to Section 60(2)(j) of the *School Act*, and any other funds collected at the school but remitted to central office and accounted for by the jurisdiction (facility rentals, capital assets purchases, etc.)

Note 1 Input "(Restated)" beside Balance at August 31, 2004 where not taken from the finalized 2003-2004 Audited Financial Statements.

Note 2 Excludes fees collected pursuant to Section 60(2)(j) of the School Act (fees with respect to instructional supplies or materials - essentially textbooks, resource materials in lieu of textbooks, media, software, and materials for classrooms). Amounts collected for CEU-related activities are recorded as instruction resource fees, not SGF.

Note 3 Net SGF Expended for Discretionary Purposes is recorded as revenue and expense in the Statement of Revenues & Expenses.

Note 4 Unexpended SGF is carried forward to the Statement of Financial Position.

School Jurisdiction Code: 0054

SCHEDULE F to the AFS
Operations and Maintenance Program Expenses - 2004-2005

EXPENSES	Custodial	Maintenance	Utilities and Telecommunications	Expensed Mod./I.M.P. & Portable Relocations	Facility Planning & Operations Administration	SUB-TOTAL Operations & Maintenance	Supported Capital & Debt Services	TOTAL Operations and Maintenance
Uncertificated salaries and wages	$773,983	$467,148	$0	$17,966	$216,022	$1,475,119		$1,475,119
Uncertificated benefits	$175,500	$102,606	$0	$3,890	$46,029	$328,025		$328,025
Sub-total Remuneration	$949,483	$569,754	$0	$21,856	$262,051	$1,803,144		$1,803,144
Contracted Services	$751,952	$806,747	$0	$0	$19,258	$1,577,957		$1,577,957
Supplies	$181,453	$273,158	$0	$931,673	$29,735	$1,416,019		$1,416,019
Electricity			$828,980			$828,980		$828,980
Natural Gas/Heating Fuel			$627,519			$627,519		$627,519
Sewer and Water			$114,302			$114,302		$114,302
Telecommunications			$21,704			$21,704		$21,704
Insurance					$146,845	$146,845		$146,845
Amortization of capital assets								
Supported							$1,599,881	$1,599,881
Unsupported						$37,228		$37,228
Total Amortization						$37,228	$1,599,881	$1,637,109
Interest on capital debt								
Supported							$386,829	$386,829
Unsupported				$0		$0		$0
Other interest charges						$0		$0
Losses on disposal of capital assets						$14,290		$14,290
Cost recoveries & transfers						($93,252)		($93,252)
TOTAL EXPENSES	$1,882,888	$1,649,659	$1,592,505	$953,529	$457,889	$6,494,736	$1,986,710	$8,481,446
SQUARE METRES								
School Buildings								102,475.0
Non School Buildings								8,328.9
UNCERTIFICATED FTE'S (Board/Contract)	22.6	9.7						

Notes:

Custodial:	All expenses related to activities undertaken to keep the school environment clean and safe
Maintenance:	All expenses associated with the repair, replacement and minor construction of buildings, grounds and equipment components. This includes regular and preventative maintenance undertaken to ensure components reach or exceed their life cycle and the repair of broken components
Utilities & Telecommunications:	All expenses related to electricity, natural gas and other heating fuels, sewer and water and all forms of telecommunications
Expensed Block Mod/I.M.P. & Portable Relocations:	All expenses associated with non-capital activites related to Block Modernization, Infrastructure Maintenance Programs (AKA Building Quality Restoration Program) and portable relocations
Facility Planning & Operations Administration:	All expenses related to the administration of operations and maintenance including (but not limited to) contract administration, clerical functions, negotiations, supervision of employees and contractors, administration of capital projects (including new schools, I.M.P., block modernization and portable relocations), administration of joint-use agreements, and all expenses related to ensuring compliance with health and safety statndards, codes and government regulations
Supported Capital & Debt Services:	All expenses related to supported capital assets amortization and interest on supported capital debt

School Jurisdiction Code: 0054

SCHEDULE G to the AFS
DISCLOSURE OF SALARIES AND BENEFITS - 2004-2005
(SECTION 148.1 OF THE SCHOOL ACT)

		FTEs	Remuneration	Benefits	Allowances	Performance Bonuses	ERIP's / Other	Total	Expenses
Chairperson:									
Name	Kelly Lowry	1.0	$12,356	$3,654	$0			$16,010	$3,113
Name		0.0	$0	$0	$0			$0	$0
Other Board Members:									
Name	Lorrie Jess - Vice Chair	0.9	$13,289	$2,871	$0			$16,160	$3,200
Name	Trudy Bratland	0.9	$13,009	$2,858	$0			$15,867	$5,724
Name	Karin Engen	1.0	$18,091	$4,236	$0			$22,327	$7,907
Name	Bob Huff	1.0	$13,382	$285	$0			$13,667	$4,232
Name	Donna Peterson	0.9	$13,569	$3,947	$0			$17,516	$5,996
Name	Anita Gillard	0.1	$2,238	$678	$0			$2,916	$893
Name	Karen Read	0.1	$2,005	$82	$0			$2,087	$436
Name	Harry Wit	0.1	$1,492	$0	$0			$1,492	$365
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Subtotal		*6.0*	*$89,431*	*$18,611*	*$0*			*$108,042*	*$31,865*
Superintendent	Larry Jacobs	1.0	$126,080	$9,416	$0	$0	$0	$135,496	$8,235
Superintendent		0.0	$0	$0	$0	$0	$0	$0	$0
Secretary/Treasurer	Joseph Henderson	1.0	$109,700	$18,411	$0	$0	$0	$128,111	$4,423
Secretary/Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Board Secretary		0.0	$0	$0	$0	$0	$0	$0	$0
Board Secretary		0.0	$0	$0	$0	$0	$0	$0	$0
Board Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Board Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Certificated Salaries		446.8	$31,193,959	$3,269,392	$0	$0	$0	$34,463,351	
Uncertificated Salaries & Wages		358.8	$11,735,535	$2,579,182	$0	$0	$0	$14,314,717	
TOTALS			**$43,254,705**	**$5,895,012**	**$0**	**$0**	**$0**	**$49,149,717**	

Note: Please refer to completion information on page 15